

**TXO PRODUCTION CORP.**

1800 LINCOLN CENTER BUILDING  
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

November 11, 1983

Mr. Norm Stout (Holding File)  
State of Utah  
Division of Oil, Gas and Mining  
4241 State Office Building  
Salt Lake City, Utah 84114

Re: BMG Federal #3  
Grand County, Utah

Dear Norm:

Enclosed please find three copies of the "Application for Permit to Drill" the above referenced well. Also enclosed is a copy of the APD/MSUOP that was submitted to the Bureau of Land Management. Please note that this is a directional drill proposal.

Due to extremely rough terrain as well as the limitations associated with directional drilling, we were unable to locate the bottom hole of the BMG Federal #3 more than 2,500 feet from the proposed BMG Federal #2 well. Consequently, TXO Production Corp. requests an administrative spacing exception for the prospect.

The water source to be used for the drilling of this well is West Salt Wash in Colorado.

If you have any questions, please contact me at this office.

Very truly yours,

TXO PRODUCTION CORP.

Paul Urban  
Environmental Scientist

PU/gm

Enclosures/as stated

RECEIVED  
NOV 15 1983

DIVISION OF  
OIL, GAS & MINING



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
 DRILL       DEEPEN       PLUG BACK

b. TYPE OF WELL  
 OIL WELL       GAS WELL       OTHER       SINGLE ZONE       MULTIPLE ZONE

2. NAME OF OPERATOR  
 TXO Production Corp. Attn: Paul Urban (303) 861-4246

3. ADDRESS OF OPERATOR  
 1800 Lincoln Center Building, Denver, Colorado 80264

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*)  
 At surface  
 620' FSL, 670' FWL Section 8-T16S-R26E  
 At proposed prod. zone Dakota Sands: 1000' FNL, 1000' FEL Sec. 18-T16S-R26E  
 Total Depth: 1155' FNL, 1159' FEL Sec. 18-T16S-R26E

5. LEASE DESIGNATION AND SERIAL NO.  
 U-05015

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
 ---

7. UNIT AGREEMENT NAME  
 ---

8. FARM OR LEASE NAME  
 BMG Federal

9. WELL NO.  
 #3

10. FIELD AND POOL, OR WILDCAT  
 San Arroyo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 Surface: Sec. 8-T16S-R26E  
 TD: Sec. 18-T16S-R26E

12. COUNTY OR PARISH  
 Grand

13. STATE  
 Utah

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 Approximately 15 miles NW of Mack, Colorado

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
 4280'

16. NO. OF ACRES IN LEASE  
 2560

17. NO. OF ACRES ASSIGNED TO THIS WELL  
 320

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
 2321'

19. PROPOSED DEPTH  
 5500' TVD

20. ROTARY OR CABLE TOOLS  
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 6553' GR

22. APPROX. DATE WORK WILL START\*  
 November 30, 1983

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
12-1/4"	9-5/8"	36#	300'	160 sacks	
8-3/4"	7"	20#	2137' MD (2050' TVD)	150 sacks	
6-1/4"	4-1/2"	10.5#	6173' MD (5500' TVD)	125 sacks	
			<u>TVD</u> <u>Deviation</u> <u>Angle</u> <u>MD</u>		
	Kickoff depth	500'	0.0'	0.0°	500'
	Angle established	1987'	416.0'	31.2°	2063'
	Initial objective	5133'	2326.0'	31.2°	5744'
	Total depth	5500'	2548.0'	31.2°	6173'

The initial target (Dakota Sands) is located 1000' FNL, 1000' FEL of Section 18-T16S-R26E and is planned with a 300' target radius to comply with applicable state spacing regulations.

TXO Production Corp. proposes to directionally drill the subject well using an angle building rate of 2°/100' in accordance with the above table.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED R.E. Dashner TITLE District Drilling Manager DATE November 11, 1983  
R.E. Dashner

(This space for Federal or State office use)

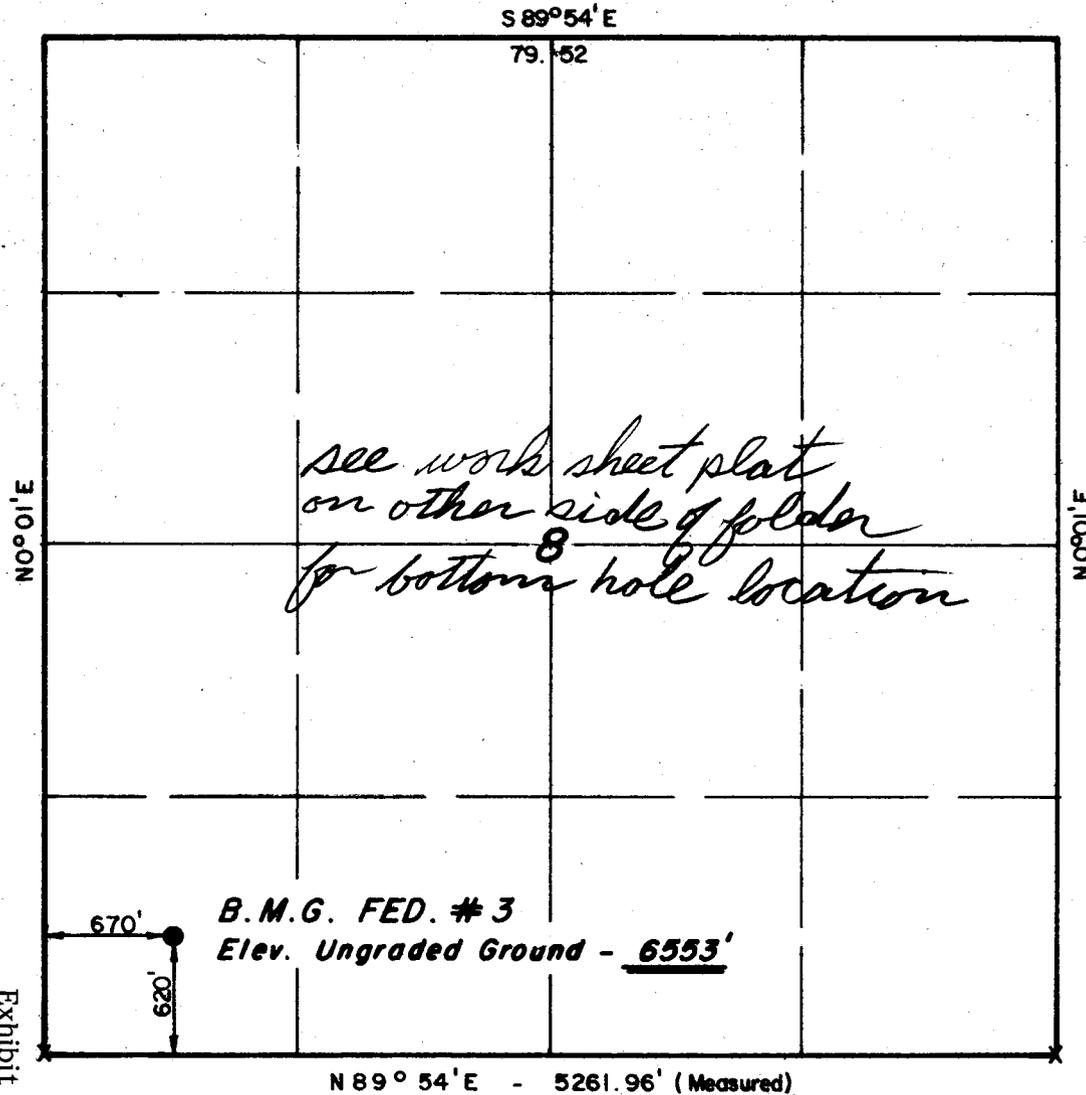
PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 CONDITIONS OF APPROVAL, IF ANY :

T16S , R26E , S.L.B. & M.

PROJECT  
**TXO PRODUCTION CORP.**

Well location, *B.M.G. FED. #3*,  
located as shown in the SW1/4SW1/4  
Section 8, T16S, R26E, S.L.B. & M.  
Grand County, Utah.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM  
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY  
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE  
BEST OF MY KNOWLEDGE AND BELIEF.

*Alison J. ...*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO 2454  
STATE OF UTAH

**UINTAH ENGINEERING & LAND SURVEYING**  
P.O. BOX Q - 85 SOUTH - 200 EAST  
VERNAL, UTAH - 84078

SCALE	1" = 1000'	DATE	11/ 8 /83
PARTY	DB BK TJ RP	REFERENCES	GLO Plat
WEATHER	FAIR	FILE	TXO

X = Section Corners Located

Exhibit 2  
Survey Plat

TXO PRODUCTION CORP.  
MULTIPOINT SURFACE USE AND OPERATIONS PLAN

DATE: November 11, 1983

WELL NAME: BMG Federal #3

SURFACE LOCATION: 620' FSL, 670' FWL, Section 8-T16S-R26E, Grand County, Utah

FEDERAL OIL & GAS LEASE NO.: U-05015

1. EXISTING ROADS

- A. Proposed well site as staked. Refer to Exhibit 2. The well has been staked 620' FSL and 670' FWL in Section 8-T16S-R26E.
- B. Route and distance from nearest town or locatable reference point to where proposed access route leaves existing road: From Mack, Colorado, proceed west 2.3 miles on State Highway 6 & 50 to Eight Road in Colorado. Turn right on Eight road and proceed north 2.7 miles. Turn left, remaining on pavement, and proceed west 3.0 miles to a curve. Continue to follow the well-traveled and maintained road northwest for 3.1 miles to a fork. Take the left fork and proceed 3.1 miles to a fork. Take the right fork (left fork continues up Jim Canyon) and proceed up Prairie Canyon 1.8 miles to a fork. Take the left fork and proceed up Cottonwood Canyon for 1.6 miles to the Moxa Federal #1 well site. From this point the road proceeds out of the canyon bottom for 1.3 miles to the location of the BMG Federal #2.
- C. Access route to location color coded in red and labeled. Refer to Exhibit 3.
- D. For development well, all existing roads within one mile color coded in yellow. Refer to Exhibit 4.
- E. Plans for improvement and maintenance of existing roads: The existing roads should not require any upgrading. During wet periods some maintenance may be necessary to allow passage by drilling rigs and well servicing vehicles. Dry periods necessitate watering the road to control dust.

2. PLANNED ACCESS ROAD

Show all necessary roads to be constructed or reconstructed: No access road construction will be required.

3. LOCATION OF EXISTING WELLS

Exhibit 5 is a one-mile radius locating and identifying the following:

- A. Water Wells-None
- B. Abandoned Wells-None

- C. Temporarily Abandoned Wells-None
- D. Disposal Wells-None
- E. Drilling Wells-None
- F. Producing Wells-Benson-Montin-Greer Federal Hatch #1 Sec. 18-T16S-R26E  
Tenneco 8 Federal, Sec. 13-T16S-R26E
- G. Shut-in Wells-None
- H. Injection Wells-None
- I. Monitoring or Observation Wells for Other Reasons-None

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

- A. Exhibit 5 is a one-mile radius locating the following existing facilities owned by the lessee/operator:
  - 1. Tank Batteries-None
  - 2. Production Facilities-None
  - 3. Oil Gathering Lines-None
  - 4. Gas Gathering Lines-None
  - 5. Injection Lines-None
  - 6. Disposal Lines-None
- B. If new facilities are contemplated, in the event of production, show:
  - 1. Proposed location and attendant lines in relation to the well pad. Refer to Exhibit 6.
  - 2. Dimensions of facilities: Refer to Exhibit 6.
  - 3. The production facilities will include a production pit, a production unit, and, if necessary, a dehydrator. The facilities will be located as shown on Exhibit 6. The pit will be located in cut, will contain all water production and be built in accordance with NTL-2B specifications. All connection work will be done by an oil field service company using standard oil field materials.
  - 4. Protective devices and measures to protect livestock and wildlife: The water production pit will be fenced with barbed wire to protect livestock and wildlife.

5. LOCATION AND TYPE OF WATER SUPPLY

- A. Location and type of water supply: Water will be obtained from West Salt Wash in Colorado.
- B. Method of transporting water: The water will be hauled in trucks by a certified water hauler, along the route shown in green on Exhibit 3.
- C. If water well is to be drilled, so state: No water well is contemplated.

6. SOURCES OF CONSTRUCTION MATERIALS

- A. Show information either on map or by written description: It is anticipated cuts on location will furnish sufficient quantities of materials to construct a level location. Topsoil will be stockpiled on the southwest corner of the pad for later use during rehabilitation on the disturbed areas. Additional material, if needed, will be purchased from the dirt contractor.

- B. Identify if from Federal or Indian Land: All affected land is federal and under the management of the Bureau of Land Management.
- C. Because the well is being drilled from an existing pad little or no new construction will be required.
- D. Show any needed access roads crossing Federal or Indian Lands: The new access road will cross BLM administered lands in Section 8-T16S-R26E. Refer to Exhibit 4.

7. METHODS OF HANDLING WASTE DISPOSAL

- A. Cuttings will be contained and disposed of in the reserve pit.
- B. Drilling fluids will be contained and disposed of in the reserve pit. While drilling with air or gas, a dust arresting system will be installed on the blow line.
- C. Produced fracing fluids will be directed to the reserve pit for evaporation.
- D. Sewage: A portable chemical toilet will be on location during operations.
- E. Garbage and other trash will be placed in a trash bin and removed to a sanitary landfill upon completion.
- F. Protective Devices: The flare pit (if necessary) will be fenced with woven wire and flagged to protect animals. The drilling reserve pit will be fenced on three sides during drilling, and on the fourth side prior to the rig moving off location.
- G. Statement regarding proper cleanup when rig moves out. When the rig moves out, all trash and refuse will be removed from the location and hauled to a sanitary landfill. All pits will be filled after drying and the area restored as under Item 10 of this plan.

8. ANCILLARY FACILITIES

Identify all proposed camps and airstrips on a map as to their location, area required and construction methods: None planned.

9. WELL SITE LAYOUT ATTACHMENT AND PROPOSED RIG LAYOUT

- A. Cross section of drill pad with cuts and fills: Refer to Exhibit 7.
- B. Location of mud tank, reserve pit, trash bin, pipe racks and other facilities. Refer to Exhibit 7.
- C. Statement regarding pit lining: Reserve pit will be unlined. However, if the sub-surface structure is too porous or is highly fractured, a 1 to 2 inch layer of bentonite will be used as a lining for the pit.

## 10. PLANS FOR RESTORATION OF SURFACE

- A. Backfilling, leveling, contouring, and waste disposal: Upon completion of the well, the site will be cleared of all debris and the mouse and rat holes filled. The reserve pit will be dried and backfilled. Disturbed areas of the pad not needed for production facilities will be graded to an appearance consistent with the natural contours. These areas will then be covered with topsoil, disked and reseeded with a seed mixture recommended by BLM. If the well is not commercially productive, the entire pad will be reclaimed as described above.

In the event the well is not a producer, that portion of the access road requested by BLM to be rehabilitated will be covered with topsoil, disked and reseeded with a BLM-recommended seed mixture. Shrubby plants removed during road construction will be scattered randomly along the road to provide a natural appearance, control erosion and enhance seed production.

- B. Prior to rig release, pits will be fenced and so maintained until cleanup can be properly done.
- C. If any oil is in the pit, it will be removed or overhead flagging will be installed.
- D. Timetable for commencement and completion of rehabilitation operations: Rehabilitation will commence when drilling operations are completed, approximately December 30, 1983, and will be completed within approximately one year.

## 11. OTHER INFORMATION

General Description of:

- A. Topography, soil characteristics, geologic features, flora, fauna: The location is on relatively flat ground. The soil in the area consists of a silty loam. Vegetation accounts for approximately 60 percent of the ground cover and is comprised of pinion pine, big sagebrush, juniper, oak brush, herbs and native grasses. Animals inhabiting the area include deer, small mammals, and birds.
- B. Other surface-use activities and surface ownership of all involved lands: The affected land is federally owned. The primary surface uses are for oil and gas production and livestock grazing.
- C. Proximity of water, occupied dwellings, archeological, historical or cultural sites: There are no live streams in the immediate area. An ephemeral stream flows through Cottonwood Canyon. An archeological survey was performed for the BMG Federal #2 location. This survey covers an extra large area which will include any additional disturbance associated with the BMG Federal #3

12. LESSEE'S OR OPERATORS REPRESENTATIVE

Include the name, address and phone number of the lessee's or operator's field representative who is responsible for assuring compliance with the approved surface use and operations plan.

Ronald E. Dashner  
District Drilling Engineer  
TXO Production Corp.  
1800 Lincoln Center Building  
1600 Lincoln Street  
Denver, Colorado 80264  
(303) 861-4246 - Business  
(303) 690-5650 - Residence

Comments regarding the content of this plan or arrangements for an on-site inspection should be directed to:

Paul Urban  
Environmental Scientist  
TXO Production Corp.  
1800 Lincoln Center Building  
1660 Lincoln Street  
Denver, Colorado 80264  
(303) 861-4246  
(303) 429-2908

13. CERTIFICATES

The following statement is to be included in the plan and must be signed by the lessee's or operator's field representative who is identified in Item No. 12 of the plan.

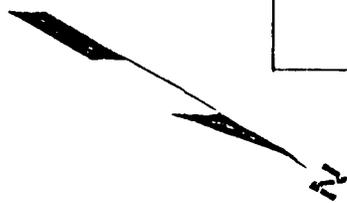
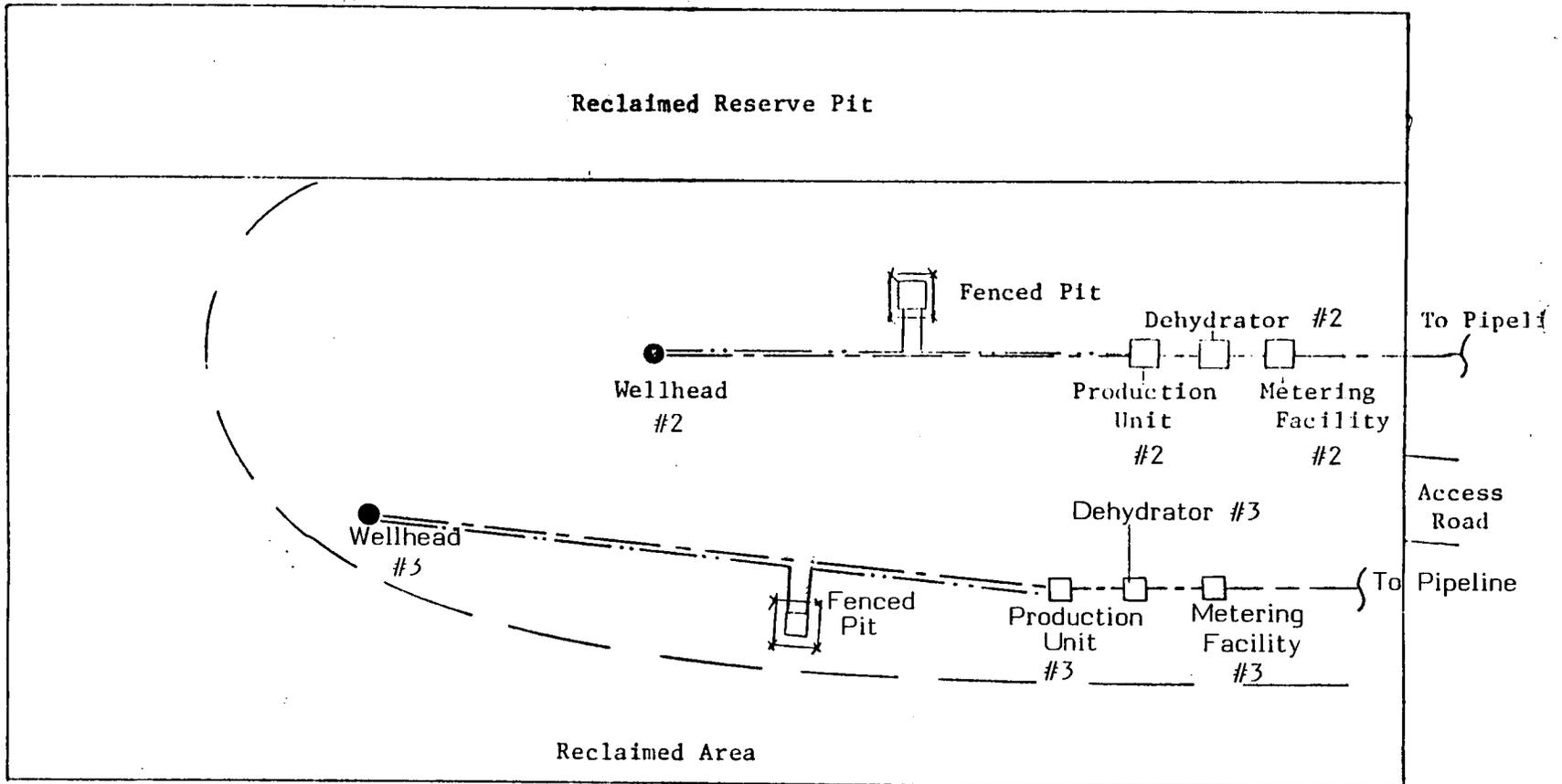
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access roads; that I am familiar with the conditions which presently exist; and that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by TXO Production Corp. and its contractors, subcontractors in conformity with this plan and the terms and conditions under which it is approved.

DATE: November 11, 1983



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Ronald E. Dashner  
District Drilling Manager

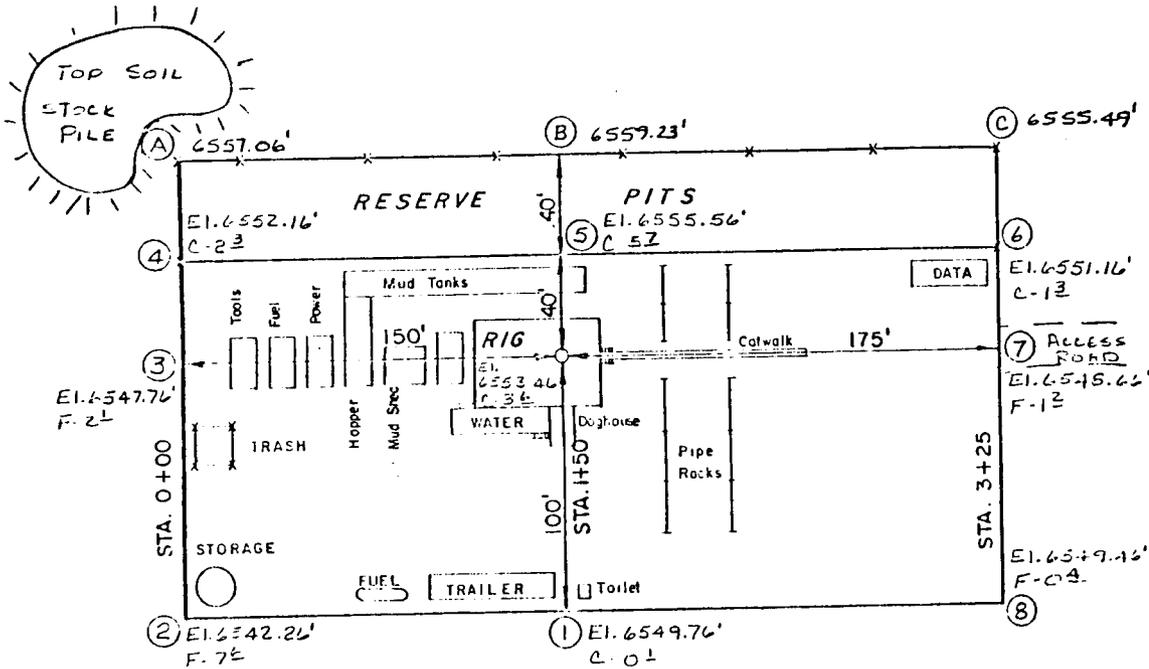


Scale: 1"=40'

- 1) Pit will be 10' x 10' x 6' deep and will be surrounded by fence.
- 2) Sacrificial magnesium anodes will be used, if necessary, to control corrosion.
- 3) All pipelines will be coated and wrapped, then buried.
- 4) A surface mounted high/low safety shutdown system will be installed.
- 5) The separator will be an ASME coded vessel.

BMG FEDERAL #2 & #3  
PRODUCTION FACILITIES

**TXO PRODUCTION CORP.**  
**B. M. G. FED. # 3**

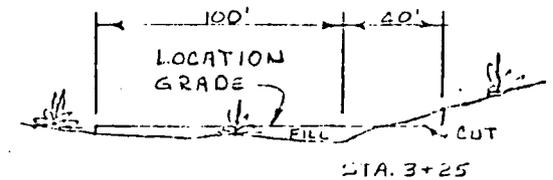
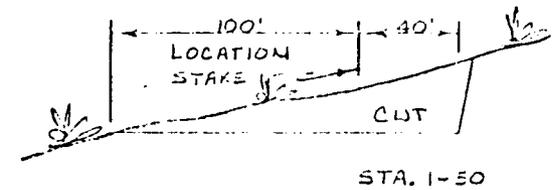
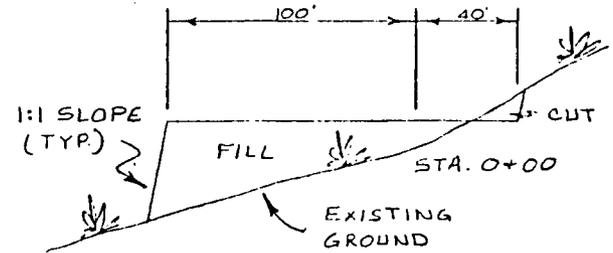


**SOILS LITHOLOGY**

- No Scale -



C  
R  
O  
S  
S  
S  
E  
C  
T  
I  
O  
N  
S



1" = 10'

Scales

1" = 50'

APPROXIMATE YARDAGES

City of Dallas - 2210

9331 C ADDENDUM  
 BMG Federal #3  
 Section 8-T16S-R26E  
 Grand County, Utah

1. SURFACE FORMATION: Mesa Verde
2. ESTIMATED FORMATION TOPS:

Castlegate	1630'	Depths given are true vertical depths (TVD)
Mancos	1830'	
Dakota	5133'	
Morrison	5433'	
Total Depth	5500'	

3. ESTIMATED DEPTH AT WHICH OIL, GAS, WATER OR OTHER MINERAL BEARING ZONES ARE EXPECTED TO BE ENCOUNTERED:

Expected Gas Zones:                      Dakota    5133' (TVD)

Water may be encountered in the Mesaverde and Castlegate Formations.

4. DIRECTIONAL DRILL PROGRAM:

As indicated on Form 9-331C, TXO Production Corp. proposes to directionally drill the subject well. Major depths and angles are listed below:

	<u>TVD</u>	<u>Deviation</u>	<u>Angle</u>	<u>MD</u>
Kickoff depth	500'	0.0'	0.0°	500'
Angle established	1987'	416.0'	31.2°	2063'
Initial objective	5133'	2326.0'	31.2°	5744'
Total depth	5500'	2548.0'	31.2°	6173'

During kickoff, an angle building rate of 2°/100' will be employed with surveys to be taken at between 30 and 90 foot intervals as required by hole conditions. When a total angle of 31.2°, from vertical is established, the angle will be held to the proposed TD of 5500' (TVD). The bottomhole target (Dakota sand group) is located 1000' FNL, 1000' FEL of Section 18 and is planned with a 300' target radius to comply with applicable state spacing regulations. Again, surveys through this stage of the hole will be dictated by hole conditions.

5. CASING PROGRAM AS PER FORM 9-331 C.
6. PRESSURE CONTROL EQUIPMENT:
  - A. After surface casing is set, a double ram-type blowout preventer with blind rams and pipe rams, with minimum working pressure of 2000 psi (greater than the anticipated bottomhole pressure of 1100 psi), will be installed. See Exhibit 1.

- B. A choke control, fill and kill lines with minimum working pressure of 2000 psi will be installed.
- C. A rotating pack-off head will be installed above the blowout preventer to control flow while drilling with air.
- D. The equipment in A and B will be pressure-tested to 2000 psi before drilling surface pipe cement, and the blowout preventer will be tested for operations daily and during trips.

7. MUD PROGRAM:

- |         |   |
|---------|---|
| 0-300'  | Air or air mist. If necessary will use spud mud at 8.8-9.2#/gal. vis. 35-45 sec. API.   |
| 300'-TD | Air or air mist. If necessary, will use 3% KCI mud at 8.6-8.8 wt., vis. 28-32 sec. API. |

8. AUXILIARY EQUIPMENT

- A. A kelly cock will be used.
- B. A float valve will be run in the drill string above the bit.
- C. A sub with full opening valve will be kept on the derrick floor to stab into DP when kelly is not in use.

9. CORING, LOGGING, TESTING PROGRAM:

- A. No coring is anticipated.
- B. Logging program will consist of: DIL from TD to intermediate pipe, GR from TD to surface pipe and FDC-SNP-GR-CAL from TD to 2000' above TD; if logged wet, CNL-FDC-GR-CAL from TD to 2000' above TD.
- C. No testing is anticipated.

10. ABNORMAL CONDITIONS:

- A. No abnormal pressures or temperatures are expected.
- B. No hazardous gases such as H<sub>2</sub>S are expected.
- C. While drilling with gas or air, return fluids will be directed through the blow line to the reserve pit. All open fires or ignition sources will be prohibited on location while gas or air drilling. A pilot flame will be maintained at the end of the blow line (located 125' from the wellhead) to insure burning of return gases that are combustible.

11. ANTICIPATED STARTING DATES:

Start location construction	November 30, 1983
Spud date	December 5, 1983
Complete drilling	December 20, 1983
Completed, ready for pipeline	December 30, 1983

12. Productive zones will be perforated, tested and treated as necessary. Gas will be flared during testing. Produced water will be contained in the unlined drilling reserve pit. The extent of treatment of a zone (acidizing and/or fracing) can only be determined after the zone has been tested. A completion program will be furnished after drilling and logging.

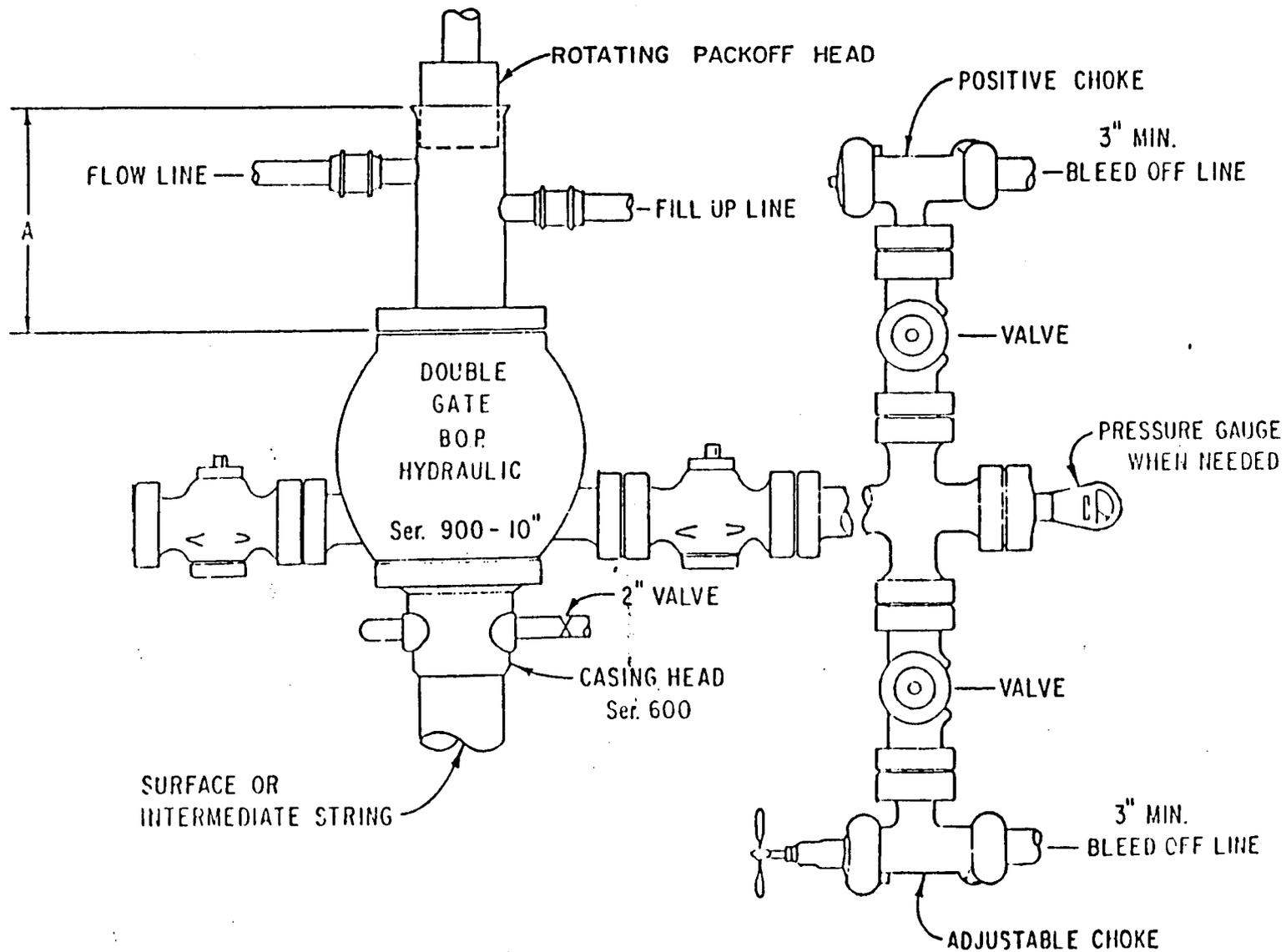
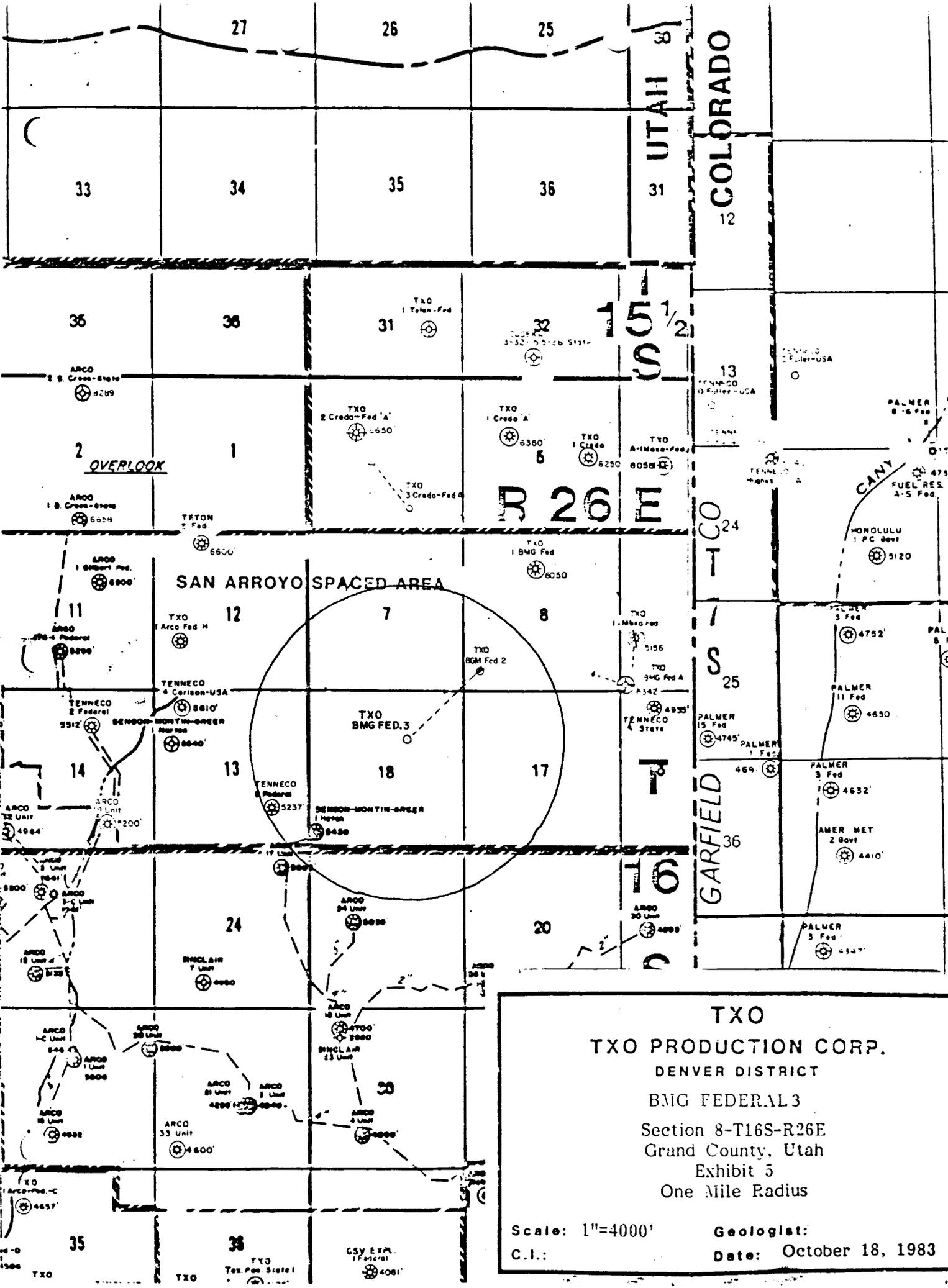


EXHIBIT I  
 BLOWOUT PREVENTER DIAGRAM

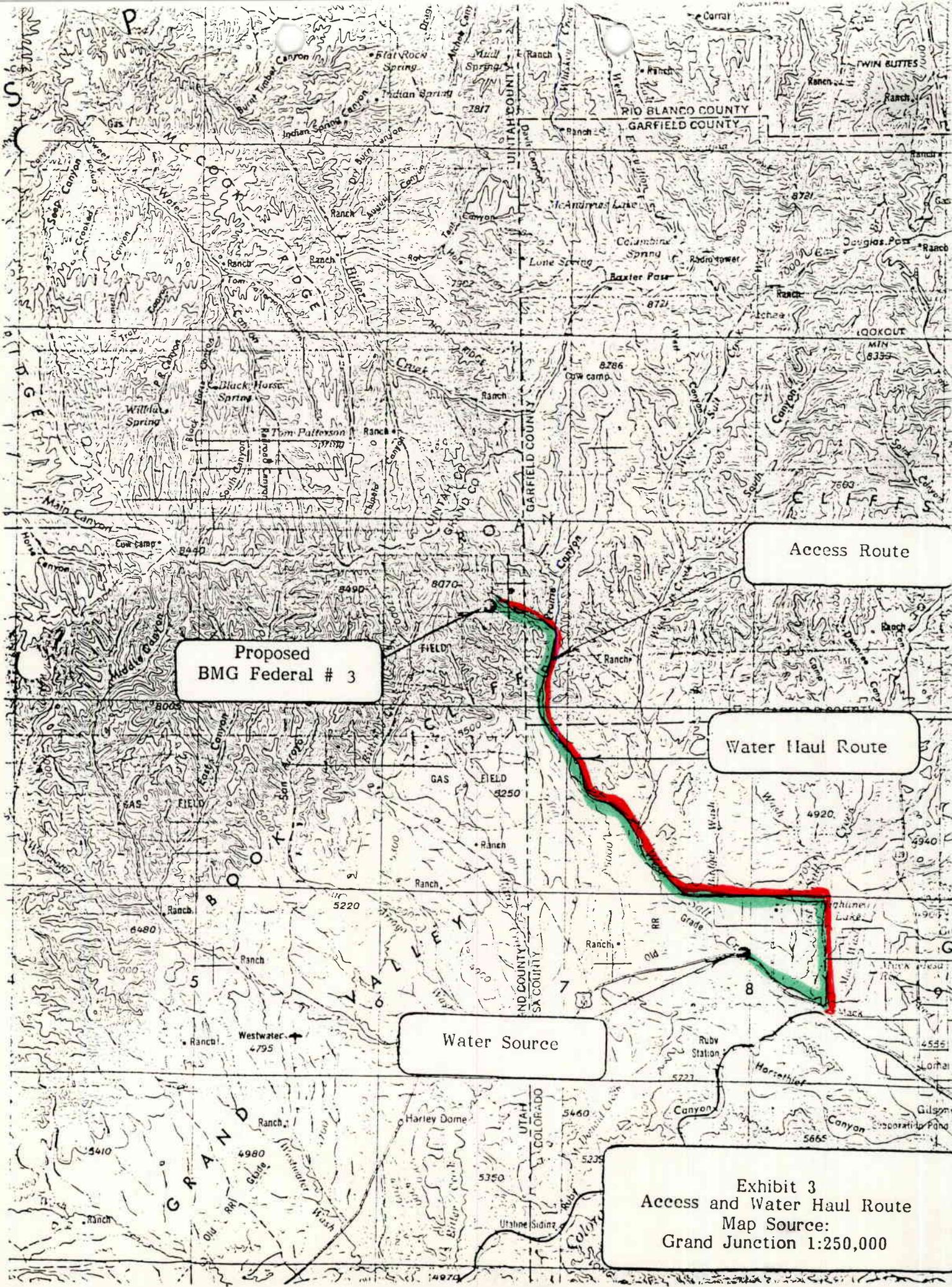


15 1/2  
S  
R 26 E

SAN ARROYO SPACED AREA

**TXO**  
**TXO PRODUCTION CORP.**  
 DENVER DISTRICT  
 BMG FEDERAL 3  
 Section 8-T16S-R26E  
 Grand County, Utah  
 Exhibit 5  
 One Mile Radius

Scale: 1"=4000'  
 Geologist:  
 C.I.:  
 Date: October 18, 1983



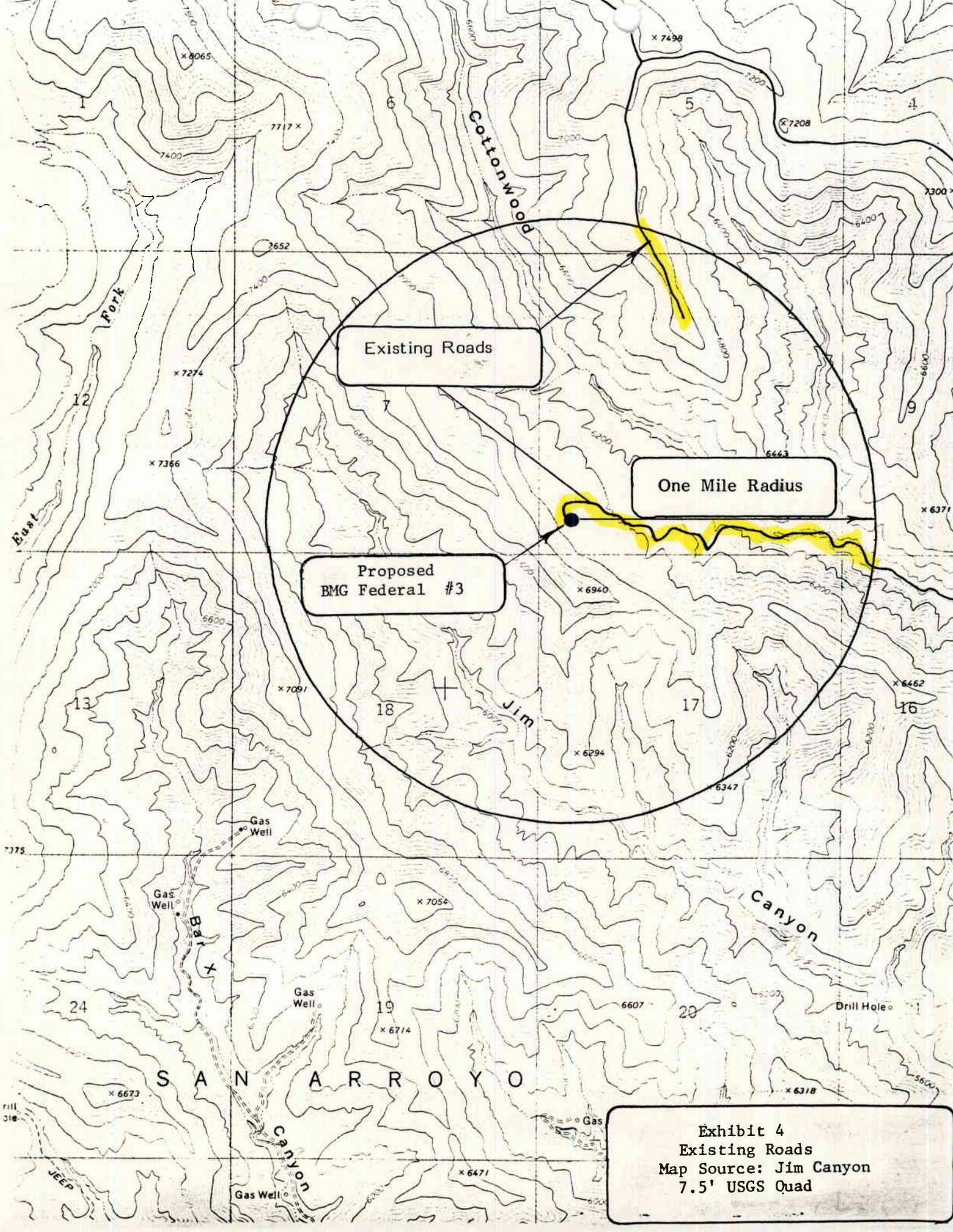
Proposed  
BMG Federal # 3

Access Route

Water Haul Route

Water Source

Exhibit 3  
Access and Water Haul Route  
Map Source:  
Grand Junction 1:250,000



Existing Roads

One Mile Radius

Proposed  
BMG Federal #3

Exhibit 4  
Existing Roads  
Map Source: Jim Canyon  
7.5' USGS Quad

OPERATOR TXO PRODUCTION CORP DATE 11-18-83

WELL NAME BMG FED # 3

SURFACE SWSW 8  
SEC NENE 18 T 16S R 26E COUNTY GRAND

PROD. ZONE

43-019-31114  
API NUMBER

FED  
TYPE OF LEASE

POSTING CHECK OFF:

INDEX

MAP

HL

NLD

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING

DATE: 11-21-83

BY: [Signature]

PROCESSING COMMENTS:

DIRECTIONAL DRILLING - THE BENSON - MONTAN - GAER CORP HATCH #1 WELL IN THE SW SW 1/4, AND THERE HAS BEEN NO DESIGNATION TO "STAND UP" OR "LAY DOWN" THE DRILLING UNITS. ADMIN EXCEPTION TO 107-1 IS WITHIN TOLERANCES. WATER OK.

CHIEF PETROLEUM ENGINEER REVIEW:

11/21/83

APPROVAL LETTER:

SPACING:  A-3 \_\_\_\_\_ UNIT

c-3-a 107-1 2-11-65  
CAUSE NO. & DATE

c-3-b

c-3-c

1) Spacing exception for distance between the BMG #2 and the BMG #3 is hereby granted under the administrative provisions of Order 107-1.  
2) Directional survey data shall be submitted at time of completion.

OPERATOR TXO PRODUCTION CORP

DATE 11-18-83

WELL NAME BMG FED # 3

SURFACE SWSW 8

SEC NENE 18

T 16S

R 26E

COUNTY GRAND

PROD. ZONE

43-019-31114  
API NUMBER

FED  
TYPE OF LEASE

POSTING CHECK OFF:

INDEX

MAP

HL

NID

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING

DATE: 11-21-82

BY: [Signature]

PROCESSING COMMENTS:

DIRECTIONAL DRILLING - THE BENSON - MONTIEN - GREEN CORP  
HATCH #1 WELL IN THE SW SW 1/4, AND THERE HAS BEEN NO DESIGNATION  
TO "STAND UP" OR "LAY DOWN" THE DRILLING UNITS. ADMIN EXCEPTION  
TO 107-1 IS WITHIN TOLERANCES. WATER OK.

CHIEF PETROLEUM ENGINEER REVIEW:

11/21/83

IN COMPUTER AS  
DKTA

APPROVAL LETTER:

SPACING:  A-3 \_\_\_\_\_ UNIT

SHD IT BE  
DK-BK

c-3-b

SINCE COMPLETION?

3-11-88 UC

changed  
3-15-88  
UC

SPECIAL LANGUAGE:

1) Spacing exception for  
the BMG #2 and the BMG #3 is hereby granted  
under the administrative provisions of Order 107-1.  
2) Directional survey data shall be submitted at  
time of completion.

RECONCILE WELL NAME AND LOCATION ON APD AGAINST SAME DATA ON PLAT MAP.

AUTHENTICATE LEASE AND OPERATOR INFORMATION

VERIFY ADEQUATE AND PROPER BONDING

AUTHENTICATE IF SITE IS IN A NAMED FIELD, ETC.

APPLY SPACING CONSIDERATION

ORDER 107-1 2-11-65

UNIT \_\_\_\_\_

c-3-b

c-3-c

CHECK DISTANCE TO NEAREST WELL.

CHECK OUTSTANDING OR OVERDUE REPORTS FOR OPERATOR'S OTHER WELLS  
*SEVERAL "1ST" LTAS*  
OIL AND MINING  
DIVISION OF  
APPROVED BY THE STATE

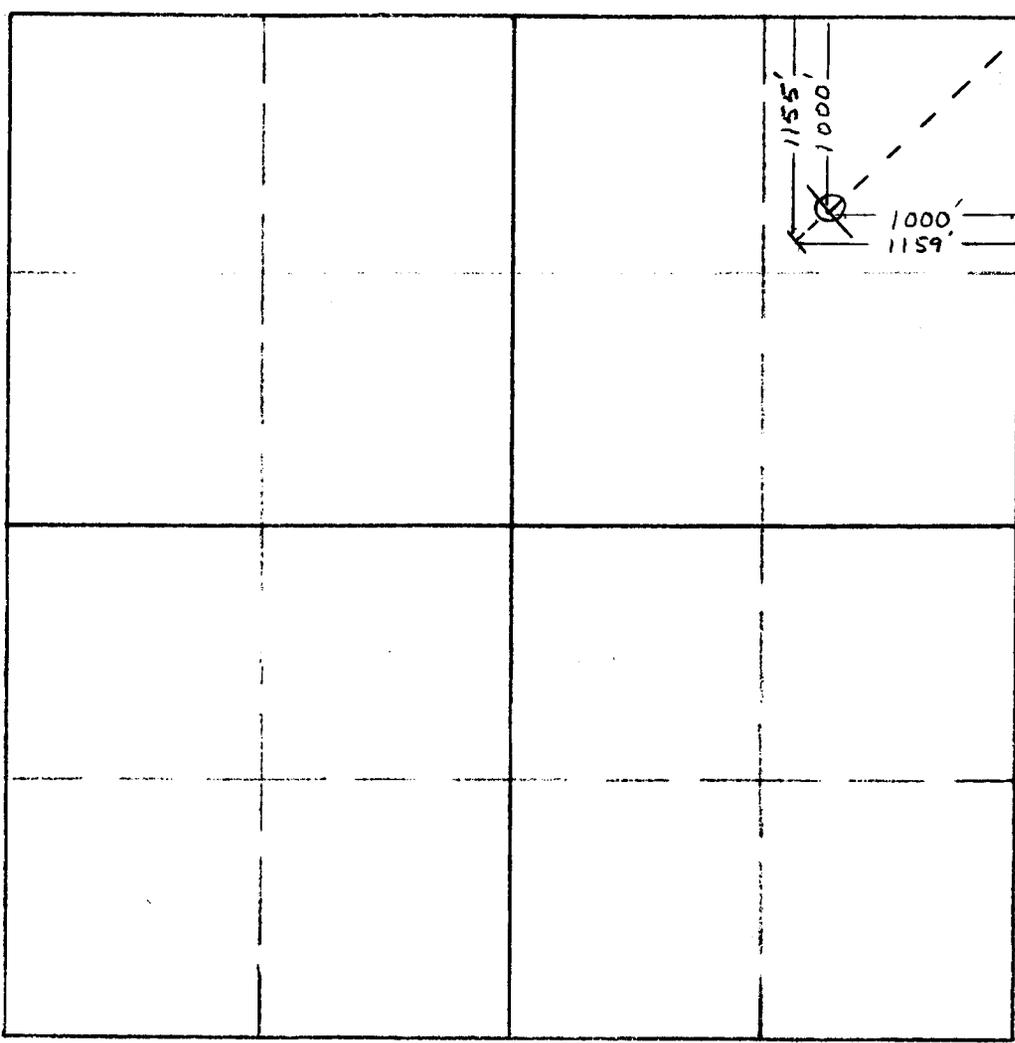
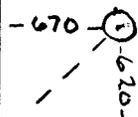
IF POTASH DESIGNATED AREA, SPECIAL LANGUAGE ON APPROVAL LETTER

IF IN OIL SHALE DESIGNATED AREA, SPECIAL APPROVAL LANGUAGE.

VERIFY LEGAL AND SUFFICIENT DRILLING WATER

SWSW 8

TXO  
BMG FED #3



PRODUCING ZONE  
TD

SCALE 1:1000

SECTION 18  
TOWNSHIP 16S  
RANGE 26E  
COUNTY GRAND

*Wm*

November 21, 1983

TXO PRODUCTION CORPORATION  
Attn: Paul Urban  
1800 Lincoln Center Bldg.  
Denver, Colorado 80264

RE: Well No. BMG Fed. #3  
(Surface) Sec. 8, T. 16S, R. 26E  
620' FSL, 670' FWL  
(Prod. Zone) 1000' FNL, 1000' FEL  
(Total Depth) 1155' FNL, 1159' FEL  
NENE Sec. 18, T. 16S, R. 26E  
Grand County, Utah

Gentlemen:

Insofar as this office is concerned, approval to drill the above referred to gas well is hereby granted in accordance with the Order issued in Cause No. 107-1 dated February 11, 1965. (1) Spacing exception for distance between the BMG #2 and the BMG #3 is hereby granted under the administrative provision of Cause 107-1.  
(2) Directional survey data shall be submitted at time of completion.

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immediately notify the following:

RONALD J. FIRTH - Chief Petroleum Engineer  
Office: 533-5771  
Home: 571-6068

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling. Your cooperation in completing this form will be appreciated.

Further, it is requested that this Division be notified within 24 hours after drilling operations commence, and that the drilling contractor and rig number be identified.

The API number assigned to this well is 43-019-31114.

Sincerely,

  
Norman C. Stout  
Administrative Assistant

NCS/as  
cc: Branch of Fluid Minerals  
Encl.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
 DRILL       DEEPEN       PLUG BACK

b. TYPE OF WELL  
 OIL WELL       GAS WELL       OTHER       SINGLE ZONE       MULTIPLE ZONE

2. NAME OF OPERATOR  
 TXO Production Corp. Attn: Paul Urban (303) 861-4246

3. ADDRESS OF OPERATOR  
 1800 Lincoln Center Building, Denver, Colorado 80264

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface  
 620' FSL, 670' FWL Section 8-T16S-R26E  
 At proposed prod. zone Dakota Sands: 1000' FNL, 1000' FEL Sec. 18-T16S-R26E  
 Total Depth: 1155' FNL, 1159' FEL Sec. 18-T16S-R26E **NENE**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 Approximately 15 miles NW of Mack, Colorado

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
 4280'

16. NO. OF ACRES IN LEASE  
 2560

17. NO. OF ACRES ASSIGNED TO THIS WELL  
 320

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
 2321'

19. PROPOSED DEPTH  
 5500' TVD

20. ROTARY OR CABLE TOOLS  
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 6553' GR

22. APPROX. DATE WORK WILL START\*  
 November 30, 1983

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
12-1/4"	9-5/8"	36#	300'	160 sacks	
8-3/4"	7"	20#	2137' MD (2050' TVD)	150 sacks	
6-1/4"	4-1/2"	10.5#	6173' MD (5500' TVD)	125 sacks	
			TVD      Deviation      Angle      MD		
	Kickoff depth	500'	0.0'	0.0°	500'
	Angle established	1987'	416.0'	31.2°	2063'
	Initial objective	5133'	2326.0'	31.2°	5744'
	Total depth	5500'	2548.0'	31.2°	6173'

The initial target (Dakota Sands) is located 1000' FNL, 1000' FEL of Section 18-T16S-R26E and is planned with a 300' target radius to comply with applicable state spacing regulations.

TXO Production Corp. proposes to directionally drill the subject well using an angle building rate of 2°/100' in accordance with the above table.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED R.E. Dashner TITLE District Drilling Manager DATE November 11, 1983  
 R.E. Dashner

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_  
 APPROVED BY /s/ Kenneth V. Rhea TITLE Associate DISTRICT MANAGER DATE DEC 02 1983  
 CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED

DIVISION OF  
OIL, GAS & MINING

FLARING OR VENTING OF  
GAS IS SUBJECT OF NTL 4-A  
DATED 1/1/80

TXO Production Corporation  
Well No. BMG Federal 3  
Surface: Sec. 8, T. 16 S., R. 26 E.  
TD: Sec. 18, T. 16 S., R. 26 E.  
Grand County, Utah  
Lease U-05015-A

Supplemental Stipulations:

1. The stipulations pertaining to the surface use and operation plan from the BMG #2 well will be followed for this location.
2. Adequate and sufficient electric/radioactive logs will be run to locate and identify anticipated coal beds in the Mesaverde formation. Casing and cementing programs will be adjusted to eliminate any potential influence of the well bore or productive hydrocarbon zones on the coal resource. Surface casing program may require adjustment for protection of fresh water aquifers.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company TXO Production Corporation Well No. BMG 3  
Location Surface: Sec. 8, T. 16 S., R. 26 E.  
TD: Sec. 18, T. 16 S., R. 26 E. Lease No. U-05015-A

**A COPY OF THESE CONDITIONS SHOULD BE FURNISHED YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (30 CFR 221), and the approved plan of operations. The operator is considered fully responsible for the actions of his subcontractors. The following items are emphasized:

1. There shall be no deviation from the proposed drilling and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling producing, suspended, or abandoned shall be identified in accordance with 30 CFR 221.22. Any changes in operations must have prior approval of this office. Pressure tests are required before drilling out from under all casing strings set and cemented in place. Blowout preventer controls must be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to insure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs. All BOP pressure tests must be recorded on the daily drilling report.
2. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and furnished this office for analysis. All oil and gas shows will be adequately tested for commercial possibilities, reported and protected.
3. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of this office. If operations are to be suspended, prior approval of this office must be obtained and notification given before resumption of operations.

In the event abandonment of the hole is desired, an oral request may be granted by this office, but must be timely followed within 15 days with a "Notice of Intention to Abandon" (Form 9-331). Unless the plugging is to take place immediately upon receipt of oral approval, the District Manager must be notified at least 48 hours in advance of the plugging of the well in order that a representative may witness plugging operation. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form 9-331) must be submitted within 15 days after the actual plugging of the well bore, reporting where the plugs were placed, and the current status of the surface restoration. If surface restoration has not been completed at that time, a follow-up report on form 9-331 should be filed when all surface restoration has been completed and the location is considered ready for final inspection.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company TXO Production Corporation Well No. BMG 3  
Location Surface: Sec. 8, T. 16 S., R. 26 E.  
TD: Sec. 18, T. 16 S., R. 26 E. Lease No. U-05015-A

A COPY OF THESE CONDITIONS SHOULD BE FURNISHED YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (30 CFR 221), and the approved plan of operations. The operator is considered fully responsible for the actions of his subcontractors. The following items are emphasized:

1. There shall be no deviation from the proposed drilling and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling producing, suspended, or abandoned shall be identified in accordance with 30 CFR 221.22. Any changes in operations must have prior approval of this office. Pressure tests are required before drilling out from under all casing strings set and cemented in place. Blowout preventer controls must be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to insure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs. All BOP pressure tests must be recorded on the daily drilling report.
2. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and furnished this office for analysis. All oil and gas shows will be adequately tested for commercial possibilities, reported and protected.
3. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of this office. If operations are to be suspended, prior approval of this office must be obtained and notification given before resumption of operations.

In the event abandonment of the hole is desired, an oral request may be granted by this office, but must be timely followed within 15 days with a "Notice of Intention to Abandon" (Form 9-331). Unless the plugging is to take place immediately upon receipt of oral approval, the District Manager must be notified at least 48 hours in advance of the plugging of the well in order that a representative may witness plugging operation. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form 9-331) must be submitted within 15 days after the actual plugging of the well bore, reporting where the plugs were placed, and the current status of the surface restoration. If surface restoration has not been completed at that time, a follow-up report on form 9-331 should be filed when all surface restoration has been completed and the location is considered ready for final inspection.

## 7. SURFACE OPERATING STANDARDS

Unless otherwise specified herein, construction and maintenance of surface facilities approved under this plan shall be in accordance with the guidelines set forth in the BLM/FS/GS Oil and Gas Brochure entitled, "Surface Operating Standards for Oil and Gas Exploration and Development". This includes but is not limited to such items as road construction and maintenance, handling of top soil and rehabilitation.

8. If a replacement rig is contemplated for completion operations, a "Sundry Notice" to that effect must be filed, for prior approval of the District Manager, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
9. Pursuant to NTL-2B requirements regarding disposal facilities for new wells, this is authorization for unlined pit disposal of the water produced from this well for a period of 90 days from the date of initial production for sales purposes. During this period, an application for approval of the permanent disposal method, along with the required water analysis and other information must be submitted for the District Manager's approval. Failure to timely file an application within the time allowed will be considered an incident of noncompliance, and will be grounds for issuing a shut-in order until the application is submitted.
10. This permit is valid for a period of one year from the date of approval. If construction does not commence within 90 days from approval, the operator must contact this office 15 days prior to beginning construction. Construction under adverse conditions may require additional stipulations. If the permit terminates, any surface disturbance created under the application must be rehabilitated in accordance with the approved plan. After termination, it is required that a new application be filed for approval for any future operations.
11. If a tank battery is constructed on this lease, it must be surrounded by a fire wall of sufficient capacity to adequately contain the storage capacity of the battery.
12. This Application for Permit to Drill is approved subject to the requirement that, should the well be successfully completed for production, this office must be notified when it is placed in a producing status. Such notification will be by telegram or other written communication, and must be received in this office by not later than the first business day next following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - a. Operator name, address and telephone number.
  - b. Well name and number.
  - c. Well location (1/4, 1/4, Section, Township, Range and Prime Meridian).
  - d. Date was placed in a producing status.
  - e. The nature of the well's production, i.e. crude oil, or crude oil and casinghead gas, or natural gas and entrained liquid hydrocarbons.

- f. The OCS, Federal or Indian lease prefix and number on which the well is located. Otherwise, the non-Federal or non-Indian land category, i.e. State or private.
- g. If appropriate, the unit agreement name, number and participating area name.
- h. If appropriate, the communitization agreement number.

13.

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SUPPLEMENTAL STIPULATIONS OF APPROVAL ATTACHED

## ADDITIONAL STIPULATIONS FOR PRODUCTION FACILITIES

Your Application for Permit to Drill also included a submittal for production facilities. These production facilities are approved for the lessee and his designated operator under Section 1 of the Oil and Gas Lease with the following conditions:

(1) The oil and gas measurement facilities must be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy are to be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. Please provide this office with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports are to be submitted to the Salt Lake City District Oil and Gas Supervisor. Royalty payments will be made on all production volume as determined by the meter measurements or the tank measurements. All measurement facilities must conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

(2) Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs must be housed and/or fenced.

(3) All disturbed areas not required for operations will be rehabilitated.

(4) All produced liquids must be contained including the dehydrator vent/condensate line effluent. All production pits must be fenced.

(5) The well activity, the well status and the date the well is placed on production must be reported on Lessee's Monthly Report of Operations, Form 9-329.

(6) All off-lease storage, off-lease measurement, or commingling on lease or off-lease must have written approval.

(7) All product lines entering and leaving hydrocarbon storage tanks must be locked/sealed.

(8) You are reminded of the requirements for handling, storing, or disposing of water produced from oil and gas wells under NTL-2B.

(9) All materials, trash, junk, debris, etc. not required for production must be removed from the well site and production facility site at the completion of these operations.

(10) A copy of the Gas Sales Contract will be provided to this office and the Royalty Accounting Department as directed.

(11) Construction and maintenance for surface use approved under this plan should be in accordance with the surface use standards as set forth in the BLM/GS Oil and Gas Brochure entitled, "Surface Operating Standards for Oil and Gas Exploration and Development." This includes, but is not limited to, such items as road construction and maintenance, handling of top soil and rehabilitation.

(12) "Sundry Notice and Reports on Wells" (form 9-331) will be filed for all changes of plans and other operations in accordance with 30 CFR 221.58. Emergency approval may be obtained verbally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alternations of facilities, including roads, gathering lines, batteries, measurement facilities, etc., will require the filing of a suitable plan and prior approval by the survey.

# TXO

## TXO PRODUCTION CORP.

1800 LINCOLN CENTER BUILDING  
DENVER, COLORADO 80284

TELEPHONE (303) 861-4246

January 6, 1984

STATE OF UTAH  
Natural Resources & Energy  
Oil, Gas, & Mining  
4241 State Office Building  
Salt Lake City, Utah 84114

**RECEIVED**  
JAN 11 1984

**DIVISION OF  
OIL, GAS & MINING**

RE: BMG Federal #3  
Section 8, T16S-R26E  
Grand County, Utah

Gentlemen:

Please find enclosed three (3) copies of Form 9-331, "Sundry Notices and Reports on Wells", reporting the spudding of the above referenced well.

If there are any further questions concerning this well, please contact me at this office.

Sincerely,

TXO PRODUCTION CORP.

*R. Bruce Wright*

R. Bruce Wright  
Area Engineer

RBW/dek  
encl.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well  gas well  other

2. NAME OF OPERATOR  
**TXO PRODUCTION CORP.**

3. ADDRESS OF OPERATOR  
**1800 Lincoln Center Bldg., Den., Co. 80264**

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)  
AT SURFACE: 620' FSL & 670' FWL, Sec. 8  
AT TOP PROD. INTERVAL: 1000' FNL & 1000' FEL, Sec. 18  
AT TOTAL DEPTH: 1155' FNL & 1159' FEL, Sec. 18

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF	<input type="checkbox"/>		<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>		<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>		<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>		<input type="checkbox"/>
PULL OR ALTER CASING	<input type="checkbox"/>		<input type="checkbox"/>
MULTIPLE COMPLETE	<input type="checkbox"/>		<input type="checkbox"/>
CHANGE ZONES	<input type="checkbox"/>		<input type="checkbox"/>
ABANDON*	<input type="checkbox"/>		<input type="checkbox"/>
(other) <b>spudding</b>			<b>X</b>

5. LEASE  
**U-05015**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
**BMG Federal**

9. WELL NO.  
**#3**

10. FIELD OR WILDCAT NAME  
**San Arroyo**

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
Surf: Sec. 8, T16S-R26E  
T.D.: Sec. 18, T16S-R26E

12. COUNTY OR PARISH  
**18 Grand**

13. STATE  
**Utah**

14. API NO.  
**43-019-31114**

15. ELEVATIONS (SHOW DF, KDB, AND WD)  
**6553' GL**

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

The above well was spudded at 10:05 AM on 1/3/84. The drilling contractor is Veco Drilling, Inc., Rig #9.

**RECEIVED**  
JAN 11 1984

**DIVISION OF  
OIL, GAS & MINING**

Subsurface Safety Valve: Manu. and Type \_\_\_\_\_ Set @ \_\_\_\_\_ Ft.

18. I hereby certify that the foregoing is true and correct

SIGNED R. Bruce Wright TITLE Area Engineer DATE 1/6/84

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:



**TXO PRODUCTION CORP.**

1800 LINCOLN CENTER BUILDING  
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

February 10, 1984

Utah Division of Oil, Gas, and Mining  
4241 State Office Building  
Salt Lake City, Utah 84114

Attn: Mr. Ronald J. Firth  
Chief Petroleum Engineer



Re: TXO Production Corp.  
BMG Federal #3  
Section 18, T16S-R26E  
Grand County, Utah

Gentlemen:

The referenced well was directionally drilled from a surface location 620' FSL and 670' FWL of Section 8, T16S-R26E to the objective Dakota pay sands in the NE/4 of Section 18, T16S-R26E. The Application for Permit to Drill called for the Dakota pay sands to be encountered at approximately 1000' FNL and 1000' FEL of Section 18, T16S-R26E with TD at 1155' FNL and 1159' FEL. In fact, difficulties were encountered which resulted in significant deviation from these projected targets. The BMG Federal #3 was actually TD'd at a location 821' FNL and 716' FEL of Section 18 on January 22, 1984.

During drilling operations, the BMG Federal #3 bore hole experienced a severe tendency to drift south. Multiple Navi-drill motor runs were made to correct this tendency. Having obtained only slightly successful results with this approach, an economic decision was made to run a packed assembly to counteract the tendency for change in deviation and direction rather than continue to expend money for motor runs. This approach proved reasonably successful, and the Fourth Dakota Sand (uppermost pay sand in the area) was encountered at a location 803' FNL and 683' FEL of Section 18, T16S-R26E.

TXO Production Corp. was able to partially satisfy the well location provisions of Order No. 107-1 which has jurisdiction over this area. Enacted on February 11, 1965; this order calls for a minimum distance of 500 feet from a spacing unit boundary and 2500 feet between wells with a 500 foot tolerance. TXO is the owner/operator of the BMG Federal #2, a vertically drilled well, located 669' FSL and 613' FWL of Section 8, T16S-R26E. As a result of the previously discussed problems in drilling the BMG Federal #3, the distance between these wells at the top of the Fourth Dakota Sand is 1964.5 feet. This

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING  
DATE: \_\_\_\_\_  
BY: \_\_\_\_\_  
REGISTRY OF TEXAS  
OIL & GAS CORP.

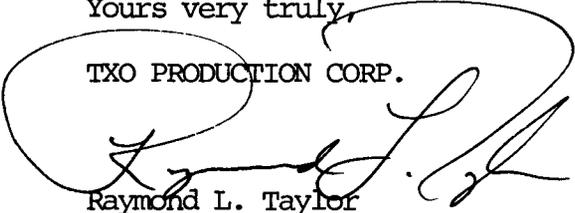
BMG FEDERAL #3  
Page Two

distance is only slightly less than that specified in Order No. 107-1. As a matter of information, TXO is also the owner/operator of all lands in the surrounding Section 7 and 17, T16S-R26E.

TXO Production Corp. is, herein, requesting the Division's indulgence in this matter and its approval of the BMG Federal #3 well location. Attached are supporting data that are pertinent to this matter.

Yours very truly,

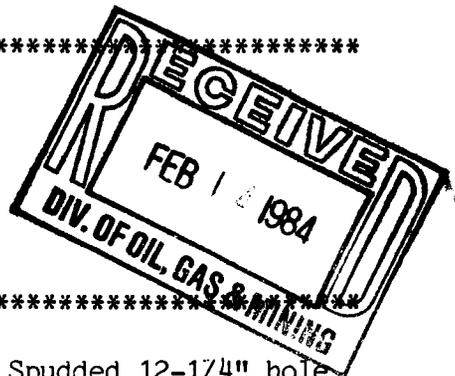
TXO PRODUCTION CORP.



Raymond L. Taylor  
District Reservoir Engineer

RLT:nb

WELL NAME: BMG Federal #3 PTD: PMD 6173'/PTVD 5500'  
 AREA: San Arroyo ELEVATIONS: 6569' KB, 6553' GL  
 LOCATION: Section 18, T16S-R26E CONTRACTOR: Veco #9  
 COUNTY: Grand AFE NUMBER: 841608  
 STATE: Utah LSE NUMBER: 73532  
 FOOTAGE: 620' FSL & 670' FWL TXO WI: 75%  
 BHL: 1000' FNL & 1000' FEL of Section 18, T16S-R26E



APCOT FINADEL JOINT VENTURE Just Mail  
 American Petrofina, Inc.  
 P. O. Box 2159  
 Dallas, Texas 75221  
 Attn: James H. Henderson

- 01/04/83 355' (355'), RU cmtrs. Mesaverde. Dust 100#. Spudded 12-1/4" hole @ 10:05 AM on 1/3/84. Drld to 355'. Blew hole clean for 1/2 hr. TOOH. RU & ran 9-5/8" csg. Presently RU BJ to cmt. 3/4° @ 355'. DW: 22,850. CW: 22,850. DD 1.
- 01/05/83 355' (0'), finish stabbing air head & NU. Mesaverde. Ran 8 jts 9-5/8", 36#, K-55, ST&C (350'). RD casers. RU cementers. Pump 5 bbls H<sub>2</sub>O spacer cmt w/ 100 sxs 50/50 poz w/ 2% gel & 2% CaCl<sub>2</sub>. Tail w/ 60 sxs Cl "G" w/ 2% CaCl<sub>2</sub>. Dspl w/ 26 bbls H<sub>2</sub>O. Fin cmtg @ 8:29 AM 1/4/84. Full returns. WOC. NU & test BOP. PU bit & monel collar. Work on air compressors. DW: 30,070. CW: 52,920. DD 2.
- 01/06/84 896' (541'), TOOH to LD Navi-drill. Mesaverde. Mist 200#. Drld out cmt & shoe. Drld to 500' w/ air dust. Blew hole clean. TOOH. PU & TIH w/ new bit, 1-1/2° bent sub & Navi-drill. Drld to 896' w/ Navi-drill, establishing angle & direction. TOOH w/ Navi-drill. DW: 15,230. CW: 68,150. DD 3.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES			
					N	S	E	W
480'	1-1/4°	N81E	479.97	-4.28	.82		5.17	
597'	2°	S30W	596.92	-3.73		1.91	7.05	
659'	3-1/4°	S43W	658.85	-.93		4.19	5.36	
721'	4-1/2°	S38W	720.71	3.24		7.38	2.64	
784'	6°	S40W	783.45	8.96		11.86		.99
846'	6-3/4°	S50W	845.01	15.84		16.73		5.86

01/07/84 1839' (943'), TIH w/ bit #5. Mancos. Mist 180#. Drld to 1839', bit began torquing up. TOOH for new bit. Castlegate @ 1590' MD, 1567' TVD, Mancos @ 1790' MD, 1754' TVD. DW: 12,950. CW: 81,100. DD 4.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES			
					N	S	E	W
888'	7-3/4°	S51W	886.67'	21.12		20.10		9.86
981'	9°	S51W	978.68'	34.61		28.62		20.48
1041'	10°	S51W	1037.86'	44.47		34.85		28.18
1134'	12°	S50W	1129.21'	62.18		46.15		41.86
1259'	14-1/4°	S47W	1250.95'	90.54		64.96		63.12
1382'	16-1/4°	S48W	1369.62'	122.88		86.82		86.97
1504'	18-1/4°	S47W	1486.13'	159.05		111.25		113.65
1658'	21°	S49W	1631.18'	210.73		145.86		152.08
1783'	22-1/2°	S49W	1747.29'	256.99		176.25		187.04

01/08/84 2051' (212'), drlg cmt & shoe. Mancos. 8.6, 29. Drld to 2051' w/ air mist. Blew hole clean for 1/2 hr. TOOH. LD 6-3/4" DC's. RU & ran 48 jts 7", 20#, K-55, ST&C csg (2050'). Shoe set @ 2050'. Float set @ 2009'. RU BJ & cmtd 7" csg. Pumped 30 BM, 10 bbls of mud sweep, 2 bbls H<sub>2</sub>O. Cmtd w/ 75 sxs of 50/05 poz w/ 2% CaCl<sub>2</sub>, friction reducer, 1/4#/sx celloflake. Tail w/ 75 sxs Cl "G" w/ 2% CaCl<sub>2</sub>,

WELL NAME: BMG Federal #3 PTD: PMD 6173'/PTVD 5500'  
 AREA: San Arroyo ELEVATIONS: 6569' KB, 6553' GL  
 LOCATION: Section 18, T16S-R26E CONTRACTOR: Veco #9  
 COUNTY: Grand AFE NUMBER: 841608  
 STATE: Utah LSE NUMBER: 73532  
 FOOTAGE: 620' FSL & 670' FWL TXO WI: 75%  
 BHL: 1000' FNL & 1000' FEL of  
 Section 18, T16S-R26E

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01/08/84 1/4#/sx celloflake. PD @ 7:28 PM 1/7/84. BP @ 900#. Float held.  
 cont. Full returns. ND BOP, set slips, NU BOP & test to 1000#, OK. TIH w/  
 bit #6 & began drlg cmt & shoe. DW: 45,300. CW: 126,400. DD 5.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES			
					N	S	E	W
1970'	24°	S49W	1861.22'	305.70		207.80		224.33
2031'	26°	S49W	1973.60'	358.19		242.75		263.53

01/09/84 2602' (551'), drlg. Mancos. Dust 180#. Fin drlg out cmt & shoe.  
 Drld to 2063'. TOOH. PU & TIH w/ bit, near-bit IBS, monel collar, 1  
 DC, IBS, 8 DC's, drlg jars, 3 DC's, DP. Drld to 2565' varying wt &  
 RPM to attempt to control direction and angle. Unable to stop walk to  
 the left. TOOH. LD near-bit IBS. PU near-bit 3 pt reamer, monel  
 collar, 3 pt reamer, 1 DC, IBS, rest of drill string. TIH & resume  
 drlg. DW: 11,670. CW: 138,070. DD 6.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES			
					N	S	E	W
2106'	25-3/4°	S48W	2041.08'	390.89		264.43		288.05
2169'	26-3/4°	S47W	2097.58'	418.74		283.26		308.59
2261'	29°	S45W	2178.91'	461.75		313.14		339.53
2355'	31°	S43W	2260.31'	508.73		346.95		372.18
2449'	33°	S41W	2340.03'	558.43		383.96		405.51
2540'	34-3/4°	S40W	2415.58'	608.92		422.53		438.45

01/10/84 3110' (508'), drlg. Mancos. Dust 180#. Drld to 2662'. Attempted to  
 run survey. Unable to get survey tool past string 3 pt reamer. TOOH.  
 ID of 3 pt reamer too small for survey tool to pass through. LD  
 reamer. PU new 3 pt reamer. TIH. Surveyed & resumed drlg. DW:  
 9520. CW: 147,590. DD 7.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES			
					N	S	E	W
2638'	35-1/4°	S40W	2495.86'	664.83		465.59		474.58
2729'	35-1/2°	S39W	2570.06'	717.19		506.24		508.09
2820'	35-1/2°	S38W	2644.14'	769.59		547.60		540.99
2914'	35-1/2°	S38W	2720.67'	823.66		590.62		574.60
3006'	35-1/4°	S38W	2795.69'	876.42		632.59		607.39
3100'	35-1/4°	S38W	2872.45'	930.15		675.34		640.79

01/11/84 3504' (394'), TOOH w/ Navi-Drill. Mancos. Mist-350#. Drld to 3434',  
 varying wt & RPM to control direction and angle. Unable to control  
 direction. TOOH. LD stabilization. PU & TIH w/ bit #7, Navi-drill,  
 1-1/2° bent sub, monel collar & rest of drl string. Drld to 3504',  
 motor quit drlg. Begin TOOH w/ Navi-Drill. DW: 16,350. CW:  
 163,940. DD 8.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES			
					N	S	E	W
3192'	34-3/4°	S37W	2947.81'	982.29		717.20		672.91
3284'	33-3/4°	S35W	3023.86'	1033.36		759.09		703.34



WELL NAME: BMG Federal #3  
 AREA: San Arroyo  
 LOCATION: Section 18, T16S-R26E  
 COUNTY: Grand  
 STATE: Utah  
 FOOTAGE: 620' FSL & 670' FWL  
 BHL: 1000' FNL & 1000' FEL of  
 Section 18, T16S-R26E

PTD: PMD 6173'/PTVD 5500'  
 ELEVATIONS: 6569' KB, 6553' GL  
 CONTRACTOR: Veco #9  
 AFE NUMBER: 841608  
 LSE NUMBER: 73532  
 TXO WI: 75%

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01/16/84 4314' (110'), drlg w/ Navi-drill. Mancos. Mist 300#. Fin TOOH. PU & TIH w/ Navi-drill. Had to thaw out Navi-drill, subs, & DC. Drld to 4275'. TOOH. LD bit & mtr. PU & TIH w/ new bit & mtr & resumed drlg. DW: 13,570. CW: 224,030. DD 13.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES			
					N	S	E	W
4235'	25°	S30W	3864.15	1468.60	1113.04			966.48
4266'	25-3/4°	S33W	3892.16	1481.47	1124.37			973.42

01/17/84 4540' (226'), TOOH for motor. Mancos. Dust 200#. Drill ahead w/ motor to 4358'. TOOH for angle building assembly, bit, near bit IBS, monel collar, DC's & DP. TIH. Dry up hole. Drill to 4540'. Mist up hole. TOOH for motor. DW: 13,670. CW: 237,700. DD 14.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES			
					N	S	E	W
4361'	27-1/4°	S39W	3977.32	1522.04	1158.05			998.63
4422'	27°	S40W	4031.61	1549.68	1179.51			1016.32
4484'	26-1/2°	S38W	4086.97	1577.38	1201.20			1033.88

01/18/84 4612' (72'), drlg ahead w/ motor air mist. Mancos. Fin TOOH. PU Navi-drill. TIH. Drill ahead to 4604'. TOOH for bit & Navi-drill. TIH & drilling ahead to 4612'. DW: 14,170. CW: 251,870. DD 15.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES			
					N	S	E	W
4569'	25-1/2°	S38W	4163.50	1613.88	1230.94			1055.89

01/19/84 4716' (104'), dry up hole, 200#. Mancos. Drill ahead w/ motor to 4636'. TOOH w/ motor. TIH w/ packed assembly: bit, IBS, short collar, IBS, monel collar, IBS, & 3 pt ream 3 collars up. Work pipe & dry up hole. Drill to 4716'. DW: 11,170. CW: 263,040. DD 16.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES			
					N	S	E	W
4601'	25-1/2°	S41W	4192.38	1627.57	1241.57			1064.65
4651'	26-1/4°	S46W	4237.37	1649.37	1257.40			1096.05

01/20/84 5519' (803'), TIH. Dakota Silt. Dusting 220#. Fin drying hole & drld ahead to 5519'. TOOH to LD stabilization. TIH w/ bit, collars, & DP. Dakota Silt @ 5485'. DW: 12,970. CW: 276,010. DD 17.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES			
					N	S	E	W
4712'	25-1/4°	S48W	4292.31	1675.87	1275.47			1096.05
4774'	24-1/4°	S50W	4348.61	1701.79	1292.50			1115.64
4835'	23°	S56W	4404.50	1726.05	1307.21			1135.16
4897'	21-3/4°	S52W	4461.83	1749.42	1321.08			1154.25
4988'	20°	S54W	4546.86	1781.60	1340.59			1180.15
5083'	19-1/4°	S57W	4636.34	1813.06	1358.13			1206.45
5175'	18-1/4°	S60W	4723.46	1841.92	1373.58			1231.66
5269'	17-1/2°	S63W	4812.92	1869.71	1387.35			1257.02
5361'	17°	S66W	4900.78	1895.57	1399.10			1281.64
5453'	16-1/4°	S68W	4988.93	1920.13	1409.38			1305.87

WELL NAME: BMG Federal #3 PTD: PMD 6173'/PTVD 5500'  
 AREA: San Arroyo ELEVATIONS: 6569' KB, 6553' GL  
 LOCATION: Section 18, T16S-R26E CONTRACTOR: Veco #9  
 COUNTY: Grand AFE NUMBER: 841608  
 STATE: Utah LSE NUMBER: 73532  
 FOOTAGE: 620' FSL & 670' FWL TXO WI: 75%  
 BHL: 1000' FNL & 1000' FEL of  
 Section 18, T16S-R26E

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01/21/84 5869' (350'), logging. Mancos. Air dust 220#. Fin TIH. Commence drlg & cut flare @ 5660'. TD 6-1/4" hole @ 3 PM 1/20/84. Test gas rate w/o compressors for 1 hr. Gas rate stabilized @ 70# on 3/4" orifice, 1000 MCFD. Short trip 6 stnds w/ no fill. TOOH. RU Gearhart. Run SP-DIL & CDL-CNL logs. Log tops: Mancos "B" 2392', Dakota Silt 5468', 1st Dakota 5572', 4th Dakota 5642', Buckhorn 5716', Morrison 5745'. DW: 12,070. CW: 288,080. DD 18.

MD	DEV	COURSE DIRECTION	TVD	VERTICAL SECTION	HORIZONTAL COORDINATES			
					N	S	E	W
5599'	13°	S68W	5130.20	1954.28	1423.19			1340.05

01/22/84 5869' (0'), RD & RR @ 2:30 AM 1/22/84. Morrison. 8.5, 37, 22.4, 10.5. Fin logging. RD Gearhart. TIH w/ bit. No fill. TOOH, laying dn DP & DC's. RU casers & RIH w/ 149 jts 4-1/2", 10.5#, K-55, ST&C csg. Shoe @ 5865', float @ 5840'. RU BJ Hughes. Pump 45 BM, 10 bbls mud sweep & 5 bbls H<sub>2</sub>O spacer. Cmtd w/ 150 sxs Cl "G" w/ 5% KCL, 2% gel, 1/4#/sx celloflake. Dspl w/ 95 bbls 3% KCL wtr. Plug didn't bump. Over displ'd by 1-1/2 bbl. PD @ 11:30 PM. Float held w/ no returns. RR @ 2:30 AM 1/22/84. Drop from report until completion begins. DW: 66,520. CW: 354,600. DD 19.

02/01/84 5836' PBTB, MI & RU Carmack. PU 3-7/8" bit, 4-1/2" csg scraper, SSN, & strap in hole w/ 180 jts 2-3/8" tbg. Tag PBTB @ 5836'. TOOH w/ 2 stnds tbg. RU swab. Swab 61 BW. RD swab. TOOH w/ remaining tbg. NU BOP. SDFN. DW: 30,370. CW: 30,370.

02/02/84 5836' PBTB, RU Gearhart & run GR-CCL. TOOH. PU & RIH w/ 3-1/8" csg gun. Perf @ 5726', 24', 22', 20', 18', 16', 5658', 56', 54', 52', 50', 48', 46', 44', 42'. Total 15 holes, .325" dia. TOOH & RD Gearhart. PU & RIH w/ model HD pkr & SSN. Set pkr @ 5751' KB & test float collar to 3000# for 15 min. Held OK. Rel pkr & reset @ 5496'. Test annulus to 3000# for 15 min. Held OK. RU & swab 13 bbls & well KO. RD swab & SDFN. DW: 7150. CW: 392,120.

02/03/84 5836' PBTB, slight blow on tbg. RU Nowsco. Pump 25,000 scf pad followed by 500 gal 7-1/2% HCL w/ additives & 750 scf/bbl N<sub>2</sub>. Drop 8 ball sealers. Pump 300 gal HCL-N<sub>2</sub> mixture and drop 7 ball sealers. Pump 300 gal HCL-N<sub>2</sub> mixture and drop 5 ball sealers. Pump 300 gal HCL-N<sub>2</sub> mixture & drop 5 ball sealers. Pump 300 gal HCL-N<sub>2</sub> mixture & drop 5 ball sealers. Pump total of 30 ball sealers. Pump remaining 300 gal HCL-N<sub>2</sub> mixture. Total of 2000 gal HCL-N<sub>2</sub> mixture. Good ball action. Dspl w/ 2% KCL wtr w/ 750 scf/bbl N<sub>2</sub>. Ball well off 5 bbls into dsplment. Surge off balls & finish dsplment. MTP 6200#, ATP 3500#, MTR 7 BPM, ATR 7 BPM. ISIP 1800#, 5 min 550#, 10 min 500#, 15 min 450#. RD Nowsco & RU to flow well to pit. BLWTBR 68. RU swab. Made 8 swab runs & rec 25 bbls. Well KO blowing w/ light mist. Left well open to pit on full 2". SDFN. DW: 8350. CW: 45,870.

02/04/84 5836' PBTB, unseat pkr. PU 4 stnds. Make 3 wiper runs. TOOH 4 stnds. RU to swab. Swab 25 bbls. RD swab. TOOH. LD pkr. PU notched collar, SSN & TIH w/ 172 jts 2-3/8" tbg. Land tbg @ 5560' KB w/ blast jt at surf. ND BOP's. NU wellhead. RU swab. Swab well dry. Rec 39 bbls total. Left well open to pit on 3/4" ch. SDFN. DW: 2550. CW: 48,420.

02/05/84 5836' PBTB, well dead. RU swab. Make 1 swab run. KO well. Left well open to pit on 1/2" ch for 24 hrs. Test this AM, well flowing 80# TP, 100# CP on 1/2" ch, 600 MCF. SWI. Prep to frac. DW: 750. CW: 49,170.

WELL NAME:	BMG Federal #3	PTD:	PMD 6173'/PTVD 5500'
AREA:	San Arroyo	ELEVATIONS:	6569' KB, 6553' GL
LOCATION:	Section 18, T16S-R26E	CONTRACTOR:	Veco #9
COUNTY:	Grand	AFE NUMBER:	841608
STATE:	Utah	LSE NUMBER:	73532
FOOTAGE:	620' FSL & 670' FWL	TXO WI:	75%
BHL:	1000' FNL & 1000' FEL of Section 18, T16S-R26E		

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- 02/06/84 5836' PBTB, well SI. Prep to frac. DW: 0. CW: 49,170.
- 02/07/84 5836' PBTB, RU Halco for frac. Pump 4000 gal prepad w/ 25% methanol & 750 scf/bbl CO<sub>2</sub> @ 25 BPM & 3460#, 1700 gal versagel 1500 w/ 750 scf/bbl CO<sub>2</sub> @ 26 BPM & 3540#, 4000 gal versagel 1400 w/ 750 scf/bbl CO<sub>2</sub> w/ 1 ppg 20/40 sd @ 26 BPM & 3200#, 7000 gal versagel 1400 w/ 750 scf/bbl CO<sub>2</sub> w/ 2 ppg 20/40 sd @ 26 BPM & 3250#, 10,000 gal versagel 1400 w/ 750 scf/bbl CO<sub>2</sub> w/ 3 ppg 20/40 sd @ 26 BPM & 3260#, 7000 gal versagel 1400 w/ 750 scf/bbl CO<sub>2</sub> w/ 4 ppg @ 26 BPM & 3640#, 4000 gal versagel 1400 w/ 750 scf/bbl CO<sub>2</sub> w/ 5 ppg 20/40 sd @ 25 BPM & 3870#. Flush w/ KCL wtr & 750 scf/bbl CO<sub>2</sub>. Under dspl to perms by 15 bbls. Attempt to pump into wellbore, couldn't. Open tbg while pumping dn annulus to roll hole. MTP 4070\$, ATP 3600#, MTR 26 BPM, ATR 25 BPM. ISIP 1410#, 5 min 920#, 10 min 880#, 15 min 800#. Pump total of 92,000# 20/40 sd, 60 tons CO<sub>2</sub>, & 56,800 gal fluid. SWI 3 hrs. Open well to pit on 3/4" ch. Well dead. Left well open to pit. This AM CP 500#, well dead. DW: 59,535. CW: 108,705.
- 02/08/84 5836' PBTB, well dead. CP 250#. RU swab. RIH w/ sinker bar. Tag sand @ 4500'. Spud on sand could not get down. RD swab. Blew well down annulus. ND wellhead. Attempt to move tbg. Pull 57,500# (31,000# over string wt). NU wellhead. LWO to pit. SDFN. DW: 750. CW: 109,455.
- 02/09/84 5836' PBTB, RU Nowasco w/ coil tbg & N<sub>2</sub>. RIH w/ 1" coil tbg. Tag sd @ 4750'. Circ sd to PBTB @ 5836'. Circ sd & TOOH to 5500'. Circ back to PBTB 5836'. TOOH w/ coil tbg. SI annulus. Left well open to pit overnight. Well flowing w/ heavy mist. DW: 7940. CW: 472,395.
- 02/10/84 5836' PBTB, well flowing to pit on full 2" w/ heavy mist & show of sd. RIH w/ Nowasco coil tbg unit. Tag sd @ 5750'. CO to PBTB 5836'. TOOH w/ coil tbg. RD Nowasco. Left well open to pit. DW: 3500. CW: 475,895.
- 02/11/84 5836' PBTB, flow well to pit on full 2". Rec heavy mist w/ sd. RIH w/ Nowasco & tag sd @ 5750'. CO to PBTB. TOOH w/ coil tbg & RD Nowasco. LWOTP. Gas will flare. DW: 4100. CW: 476,595.
- 02/12/84 5836' PBTB, rec light mist w/ tr sd. Light blow on csg. Dies off in 3 min. FTP 0#. LWOTP. DW: 0. CW: 476,595.
- 02/13/84 5836' PBTB, well flowing w/ light mist. No tr sd. Light blow on csg then dies off in 3 min. FTP 0#. LWOTP. DW: 0. CW: 476,595.
- 02/14/84 5836' PBTB, FTP 50# on full 2". Work tbg for 2 hrs. Tbg sanded in. RU wellhead & flow to pit on 3/4" ch. RD & rel rig. FTP 125# on 3/4" ch after 2 hrs, 2000 MCFD. Annulus will blow dn in 3 min. Gas contains light medium mist. DW: 1880. CW: 478,475.
- 02/15/84 5836' PBTB, flow well to pit w/ light mist on 3/8" ch. FTP 325#, CP 0# (well sanded in), 1180 MCFD. SWI. WOPL. Well status SI 4th Dakota-Buckhorn gas well. Drop from report until first sales. DW: 1250. CW: 479,725.



P. O. Box 1284/Casper, Wyoming 82601/(307) 237-9880  
TWX 910-881-5066/Cable: EASTCO

FEB. 9, 1984

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING  
4241 STATE OFFICE BUILDING  
SALT LAKE CITY, UTAH 84114

RECEIVED  
FEB 15 1984

RE: TXO PRODUCTION CORPORATION  
BMG FEDERAL NO. 3  
COMPLETION REPORT

DIVISION OF  
OIL, GAS & MINING

DEAR SIR,

ENCLOSED PLEASE FIND AN UPDATED COPY OF THE COMPLETION  
REPORT CONCERNING TXO PRODUCTION CORPORATIONS BMG FEDERAL NO. 3  
WELL.

AS OF THIS DATE, ALL OTHER COPIES OF THIS COMPLETION REPORT  
IN YOUR POSSESSION ARE HEREBY VOID AND SHOULD BE NOTED AS SUCH.

I HOPE THIS HAS NOT CAUSED ANY INCONVIENCE.

THANK YOU,

  
ANN WEBERLEIN  
COMPUTER OPERATOR



**REPORT**  
**of**  
**SUB-SURFACE**  
**DIRECTIONAL**  
**SURVEY**

TXD PRODUCTION CORPORATION

COMPANY

BMG FEDERAL NO. 3

WELL NAME

GRAND COUNTY, UTAH

LOCATION

JOB NUMBER

RM184 D1344

TYPE OF SURVEY

COMPLETION REPORT

DATE

09-FEB-84

SURVEY BY  
JASON LONG

OFFICE  
RM 410

TXO PRODUCTION CORPORATION

COMPLETION REPORT

WELL NAME: BMG FEDERAL NO 3

LOCATION: GRAND COUNTY, UTAH

FILE NO.: A3-229

START DATE: 03-JAN-84

JOB NO.: RM184 D1344

TYPE: SINGLE SHOT

SURVEYOR: JASON LONG D.D.S.

DECLINATION: 13 EAST

COMPUTER OPERATOR: ANN HEBERLEIN

RIG NO.: VECO #9

VERTICAL SECTION CALCULATED IN PLANE OF TROPICAN  
DIRECTION: 49 DEC. 92 MIN.



RECORD OF SURVEY

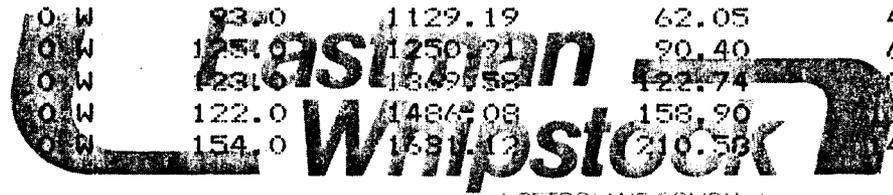
RADIUS OF CURVATURE METHOD

TXO PRODUCTION CORPORATION  
 WELL NAME: BMG FEDERAL NO 3  
 LOCATION: GRAND COUNTY, UTAH

COMPLETION REPORT

COMPUTATION  
 TIME DATE  
 14:12:59 09-FEB-84

MEASURED DEPTH FEET	DRIFT ANGLE D M	DRIFT DIRECTION D M	COURSE LENGTH FEET	TRUE		RECTANGULAR		DOGLEG SEVERITY DG/100FT
				VERTICAL DEPTH FEET	VERTICAL SECTION FEET	COORDINATE FEET	COORDINATE FEET	
0.00	0 0	0 0	0.0	0.00	0.00	0.00	0.00	0.00
480.00	1 15	N 81 0 E	480.0	479.96	-4.28	0.82 N	5.17 F	0.26
597.00	2 0	S 30 0 W	117.0	596.91	-3.84	1.37 S	6.68 E	2.52
659.00	3 15	S 43 0 W	62.0	658.85	-1.04	3.65 S	4.99 E	2.22
721.00	4 30	S 38 0 W	62.0	720.70	3.13	6.84 S	2.27 E	2.09
784.00	6 0	S 40 0 W	63.0	783.44	8.85	11.32 S	1.36 W	2.40
846.00	6 45	S 50 0 W	62.0	845.05	15.73	16.18 S	6.22 W	2.16
888.00	7 45	S 51 0 W	42.0	886.72	21.01	19.55 S	10.31 W	2.40
981.00	9 0	S 51 0 W	93.0	978.72	34.50	28.07 S	20.83 W	1.34
1041.00	10 0	S 51 0 W	60.0	1037.90	44.36	34.31 S	28.53 W	1.67
1134.00	12 0	S 50 0 W	93.0	1129.19	62.05	45.59 S	42.22 W	2.16
1259.00	14 15	S 47 0 W	125.0	1250.71	90.40	64.40 S	63.48 W	1.88
1382.00	16 15	S 48 0 W	123.0	1369.58	122.74	86.25 S	87.33 W	1.64
1504.00	18 15	S 47 0 W	122.0	1486.08	158.90	110.69 S	114.00 W	1.66
1658.00	21 0	S 49 0 W	154.0	1639.02	210.58	145.30 S	152.43 W	1.84
1783.00	22 30	S 49 0 W	125.0	1747.22	256.83	175.68 S	187.39 W	1.20
1907.00	24 0	S 49 0 W	124.0	1861.15	305.70	207.80 S	224.33 W	1.21
2031.00	26 0	S 49 0 W	124.0	1973.53	358.02	242.18 S	263.88 W	1.61
2106.00	25 45	S 48 0 W	75.0	2041.01	390.72	263.86 S	288.39 W	0.67
2169.00	26 45	S 47 0 W	63.0	2097.51	418.57	282.69 S	308.93 W	1.74
2261.00	29 0	S 45 0 W	92.0	2178.83	461.58	312.56 S	339.87 W	2.65
2355.00	31 0	S 43 0 W	94.0	2260.23	508.55	346.37 S	372.52 W	2.38
2449.00	33 0	S 41 0 W	94.0	2339.94	558.24	383.38 S	405.84 W	2.41
2540.00	34 45	S 40 0 W	91.0	2415.49	608.74	421.95 S	438.78 W	2.02
2638.00	35 15	S 40 0 W	98.0	2495.77	664.66	465.01 S	474.91 W	0.51
2729.00	35 30	S 39 0 W	91.0	2569.97	717.01	505.66 S	508.42 W	0.69
2820.00	35 30	S 38 0 W	91.0	2644.05	769.42	547.01 S	541.32 W	0.64
2914.00	35 30	S 38 0 W	94.0	2720.58	823.49	590.03 S	574.92 W	0.00
3006.00	35 15	S 38 0 W	92.0	2795.60	876.25	632.00 S	607.71 W	0.27
3100.00	35 15	S 38 0 W	94.0	2872.36	929.99	674.75 S	641.11 W	0.00

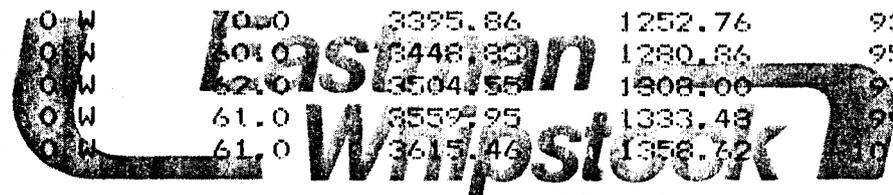


TXO PRODUCTION CORPORATION  
 WELL NAME: BMG FEDERAL NO 3  
 LOCATION: GRAND COUNTY, UTAH

COMPLETION REPORT

COMPUTATION  
 TIME DATE  
 14:12:59 09-FEB-84

MEASURED DEPTH FEET	DRIFT ANGLE D M	DRIFT DIRECTION D M	COURSE LENGTH FEET	TRUE		RECTANGULAR		DOGLEG SEVERITY DG/100FT
				VERTICAL DEPTH FEET	VERTICAL SECTION FEET	COORDINATES FEET		
3192.00	34 45	S 37 0 W	92.0	2947.72	982.20	716.61 S	673.24 W	0.83
3284.00	33 45	S 35 0 W	92.0	3023.77	1033.20	758.50 S	703.67 W	1.64
3346.00	33 0	S 33 0 W	62.0	3075.54	1066.58	786.77 S	722.74 W	2.15
3409.00	32 0	S 31 0 W	63.0	3128.68	1099.44	815.48 S	740.68 W	2.33
3461.00	31 0	S 35 0 W	52.0	3173.01	1125.92	838.26 S	755.47 W	4.45
3492.00	30 0	S 38 0 W	31.0	3199.72	1141.45	850.91 S	764.83 W	5.88
3559.00	30 0	S 36 0 W	67.0	3257.75	1174.54	877.66 S	784.99 W	1.49
3586.00	30 0	S 37 0 W	27.0	3281.13	1187.86	883.51 S	793.02 W	1.85
3617.00	30 0	S 36 0 W	31.0	3307.98	1203.20	900.81 S	802.46 W	1.61
3648.00	29 45	S 41 0 W	31.0	3334.86	1218.54	912.72 S	812.28 W	4.89
3718.00	29 0	S 41 0 W	70.0	3395.86	1252.76	938.63 S	834.80 W	1.07
3778.00	27 0	S 43 0 W	60.0	3448.83	1280.86	959.57 S	853.65 W	3.68
3840.00	25 0	S 43 0 W	62.0	3504.55	1308.00	979.44 S	872.18 W	3.23
3901.00	24 30	S 41 0 W	61.0	3559.95	1333.48	998.42 S	889.27 W	1.60
3962.00	24 30	S 38 0 W	61.0	3615.46	1358.62	1017.94 S	905.36 W	2.04
4054.00	24 15	S 35 0 W	92.0	3699.26	1396.08	1048.45 S	927.94 W	1.37
4147.00	24 15	S 30 0 W	93.0	3784.05	1433.23	1080.66 S	948.46 W	2.21
4235.00	25 0	S 30 0 W	88.0	3864.05	1468.50	1112.41 S	966.79 W	0.85
4266.00	25 45	S 33 0 W	31.0	3892.06	1481.36	1123.74 S	973.73 W	4.80
4297.00	25 45	S 36 0 W	31.0	3919.98	1494.57	1134.84 S	981.36 W	4.20
4323.00	26 30	S 38 0 W	26.0	3943.32	1505.88	1143.98 S	988.25 W	4.45
4361.00	27 15	S 39 0 W	38.0	3977.22	1522.91	1157.42 S	998.94 W	2.30
4422.00	27 0	S 40 0 W	61.0	4031.51	1550.55	1178.88 S	1016.63 W	0.85
4484.00	26 30	S 38 0 W	62.0	4086.87	1578.26	1200.57 S	1034.19 W	1.66
4514.00	25 45	S 35 0 W	30.0	4113.81	1591.29	1211.19 S	1042.05 W	5.06
4569.00	25 30	S 38 0 W	55.0	4163.40	1614.76	1230.31 S	1056.20 W	2.40
4601.00	25 30	S 41 0 W	32.0	4192.28	1628.45	1240.93 S	1064.96 W	4.04
4651.00	26 15	S 46 0 W	50.0	4237.27	1650.24	1256.76 S	1079.98 W	4.61
4712.00	25 15	S 48 0 W	61.0	4292.21	1676.73	1274.83 S	1099.36 W	2.17
4774.00	24 15	S 50 0 W	62.0	4348.51	1702.65	1291.86 S	1118.94 W	2.10



TXO PRODUCTION CORPORATION  
 WELL NAME: BMO FEDERAL NO 3  
 LOCATION: GRAND COUNTY, UTAH

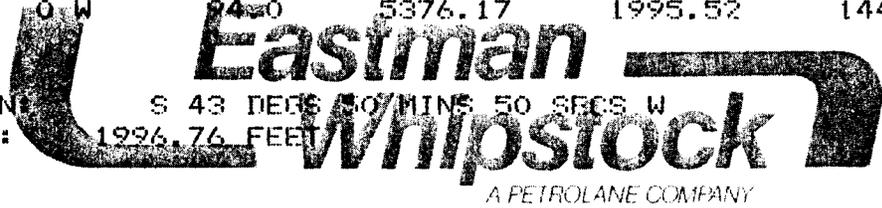
COMPLETION REPORT

COMPUTATION  
 TIME DATE  
 14:12:59 09-FEB-84

MEASURED DEPTH FEET	DRIFT ANGLE D M	DRIFT DIRECTION D M	COURSE LENGTH FEET	TRUE VERTICAL DEPTH FEET	VERTICAL SECTION FEET	RECTANGULAR COORDINATES FEET	DOGLEG SEVERITY DG/100FT
4835.00	23 0	S 56 0 W	61.0	4404.40	1726.90	1304.56 S 1138.46 W	4.44
4897.00	21 45	S 52 0 W	62.0	4461.73	1750.25	1320.43 S 1157.55 W	3.18
4988.00	20 0	S 54 0 W	91.0	4546.75	1782.43	1339.95 S 1183.44 W	2.08
5083.00	19 15	S 57 0 W	95.0	4636.74	1813.88	1358.02 S 1209.73 W	1.32
5175.00	18 15	S 60 0 W	92.0	4723.35	1842.73	1373.47 S 1234.95 W	1.51
5269.00	17 30	S 63 0 W	94.0	4812.81	1870.51	1387.23 S 1260.30 W	1.26
5361.00	17 0	S 66 0 W	92.0	4900.68	1896.36	1398.97 S 1284.92 W	1.11 (
5453.00	16 15	S 68 0 W	92.0	4988.83	1920.91	1409.26 S 1309.15 W	1.03
5599.00	13 0	S 68 0 W	146.0	5130.08	1955.06	1423.07 S 1343.32 W	2.23
5755.00	9 15	S 65 0 W	156.0	5283.12	1983.22	1435.06 S 1370.92 W	2.43
5849.00	7 0	S 71 0 W	94.0	5376.17	1995.52	1440.04 S 1383.23 W	2.55

FINAL CLOSURE - DIRECTION:  
 DISTANCE:

S 43 DEGS 30 MINS 50 SECS W  
 1996.76 FEET

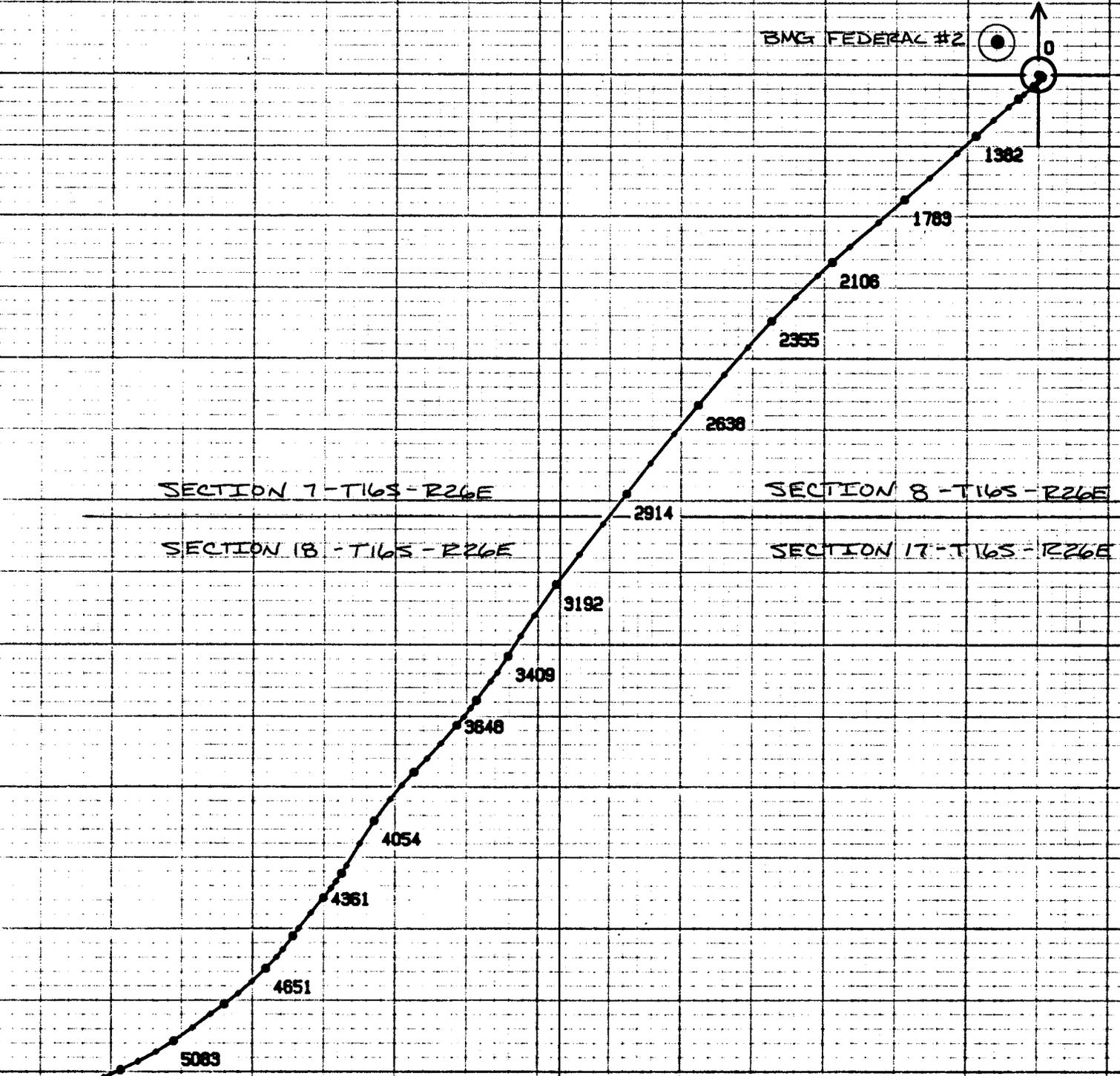


TXO PRODUCTION CORPORATION  
WELL NAME: BMG FEDERAL NO 3  
LOCATION: GRAND COUNTY, UTAH

# HORIZONTAL PROJECTION

SCALE 1 IN. = 200 FEET  
DEPTH INDICATOR: MD

EASTMAN WHIPSTOCK, INC.



FINAL STATION:  
DEPTH 5849 MD. 5376.17 TVD  
SOUTH 1440.03 WEST 1383.22  
CLOSURE 1996.75 S 43 50 50 W

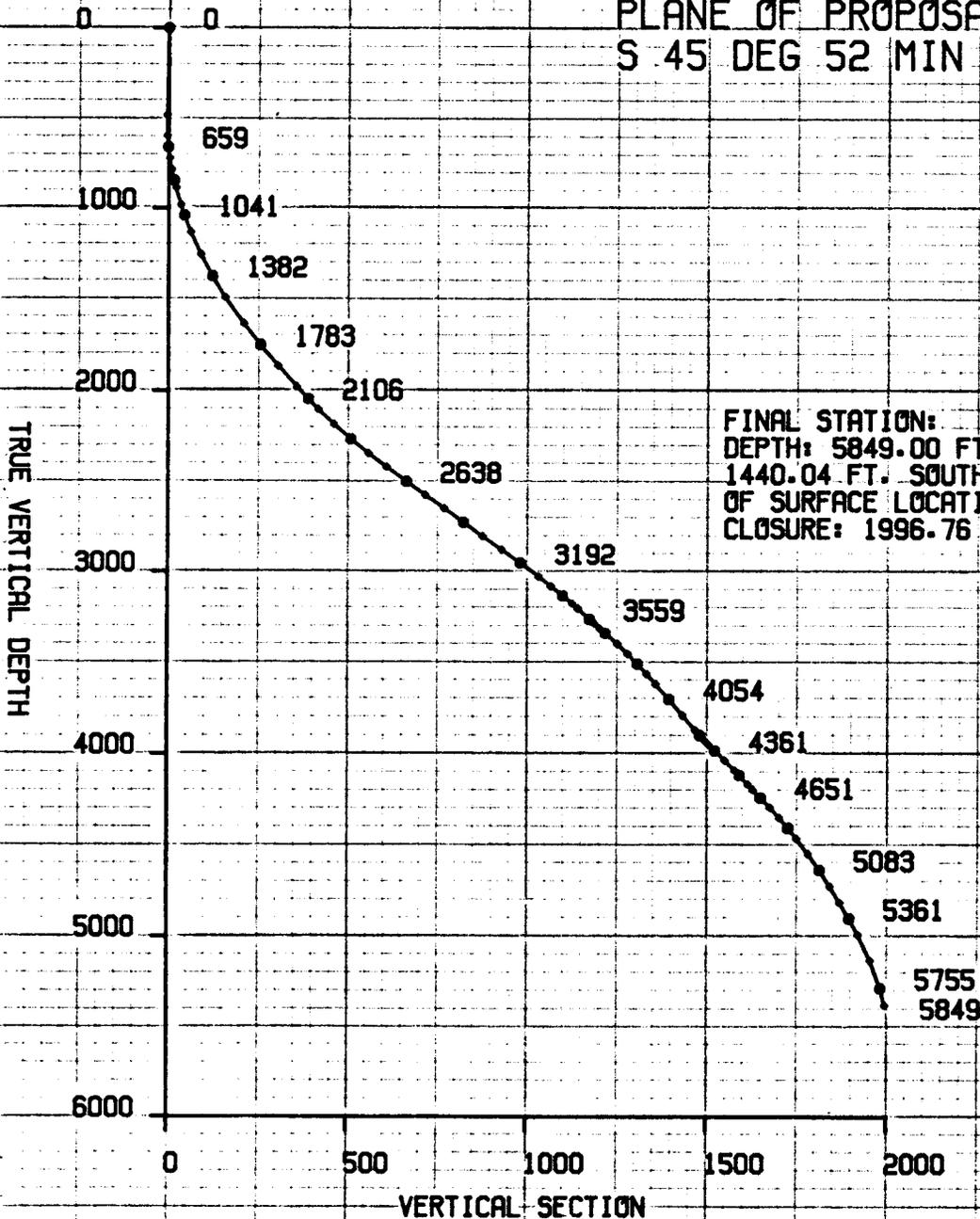
TXO PRODUCTION CORPORATION  
WELL NAME: BMG FEDERAL NO 3  
LOCATION: GRAND COUNTY, UTAH

### VERTICAL PROJECTION

HORIZONTAL SCALE 1 IN. = 500 FEET  
VERTICAL SCALE 1 IN. = 1000 FEET

EASTMAN WHIPSTOCK, INC.

PLANE OF PROPOSAL:  
S 45 DEG 52 MIN W



FINAL STATION:  
DEPTH: 5849.00 FT. MD, 5376.17 FT. TVD  
1440.04 FT. SOUTH, 1383.23 FT. WEST  
OF SURFACE LOCATION  
CLOSURE: 1996.76 FT. AT S 43 DEG 50 MIN 50 SEC W

# TXO

## TXO PRODUCTION CORP.

1800 LINCOLN CENTER BUILDING  
DENVER, COLORADO 80264

TELEPHONE (303) 861-4248

February 21, 1984

DIVISION OF OIL, GAS, & MINING  
4241 State Office Building  
Salt Lake City, Utah 84114

Attn: Mr. Cleon B. Feight  
Director

**RECEIVED**  
FEB 24 1984

**DIVISION OF  
OIL, GAS & MINING**

RE: BMG Federal #3  
Section 18, T16S-R26E  
Grand County, Utah

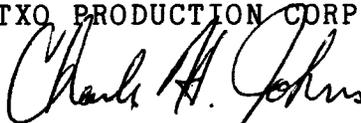
Gentlemen:

Enclosed find two (2) copies of Form 9-330, "Well Completion or Recompletion Report and Log" and a copy of the well history and directional surveys for the above referenced well. The logs were forwarded by the logging company.

If there are any further requirements concerning this well, please contact me at this office.

Sincerely,

TXO PRODUCTION CORP.



Charles H. Johns  
Petroleum Engineer

CHJ/dek  
encls.

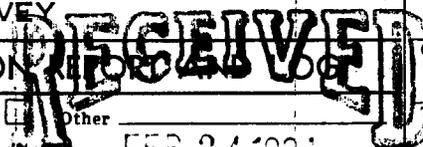
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

Form approved.  
Budget Bureau No. 42-R355.5.

13



WELL COMPLETION OR RECOMPLETION REPORT

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_

b. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. RESVR.  Other \_\_\_\_\_

2. NAME OF OPERATOR  
TXO Production Corp.

3. ADDRESS OF OPERATOR  
1800 Lincoln Center Bldg. Denver, CO 80264

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface 620' FSL 670' FWL Section 8, T16S-R26E  
At top prod. interval reported below 807.11' FNL 683.38' FEL . Sec. 18-T16S-R26E  
At total depth 821.22' FNL 716.16' FEL  
Sec. 18-T16S-R26E

14. PERMIT NO. 43-09-31141 DATE ISSUED \_\_\_\_\_

15. DATE SPUNDED 1-3-84 18. DATE T.D. REACHED 1-20-84 17. DATE COMPL. (Ready to prod.) 2-14-84 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\* 6553' GL, 6569' KB

20. TOTAL DEPTH, MD & TVD 5869 MD, 5396.02 TVD 21. PLUG, BACK T.D., MD & TVD 5840' MD, 5367.26' TVD 22. IF MULTIPLE COMPL., HOW MANY\* 1 TVD 23. INTERVALS DRILLED BY Rotary

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\*  
4th Dakota 5642-60 MD, 5172.26-5189.92 TVD  
Buckhorn 5716-26 MD, 5244.86-5254.67 TVD

26. TYPE ELECTRIC AND OTHER LOGS RUN  
DIL-GR, SNP-EDC-GR-CAL

25. WAS DIRECTIONAL SURVEY MADE Yes

27. WAS TESTED No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9-5/8"	36#	350'	12 1/4"	100sx 50-50 poz, 60sx C1 "G"	
7"	20#	2050'	8-3/4"	75sx 50-50 poz	
4 1/2"	10.5#	5865'	6 1/4"	150sx C1 "G"	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8	5560	None

31. PERFORATION RECORD (Interval, size and number)  
Buckhorn 5/26, 24, 22, 20, 18, 16  
4th Dakota 5658, 56, 54, 52, 50, 48, 46, 44, & 42

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5716-26, 5642-58	25,000SCF N2 followed by 2000 gal 7 1/2% HCl w/750SCF/BBL N2, Frac w/92,000# 20-40 sand, 60 ton CO2 & 56,800 gal fluid

33. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)
2-14-84	Flowing	Shut In - WOPL

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
2-14-84	24	3/8			1180		

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
325#	0			1180		

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)  
WOPL

TEST WITNESSED BY  
Glen Hodge

35. LIST OF ATTACHMENTS  
Well History, Logs, Directional Survey

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Charles H. Johns TITLE Petroleum Engineer DATE 2-15-84

\*(See Instructions and Spaces for Additional Data on Reverse Side)

# INSTRUCTIONS

**General:** This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 38, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

**Item 4:** If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

**Item 16:** Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments. **Items 22 and 24:** If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

**Item 29: "Stacks Cement":** Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool. **Item 33:** Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
37. SUMMARY OF POROUS ZONES: SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES			
38. : GEOLOGIC MARKERS			
NAME	MEAS. DEPTH	TOP	TRUE VERT. DEPTH
Dakota Silt	5468'		5002'
1st Dakota	5572'		5104'
4th Dakota	5642'		5172'
Buckhorn	5716'		5244'
Morrison	5745'		5272'



UTAH NATURAL RESOURCES Oil, Gas & Mining

355 West North Temple, 3 Triad Center, Suite 350, Salt Lake City, Ut 84180-1203. (801-538-5340)

MONTHLY OIL AND GAS PRODUCTION REPORT

Operator name and address:

TXO PRODUCTION CORP. P. O. BOX 2690 CODY WY 82414 ATTN: R. P. MEABON

Utah Account No. N1580

Report Period (Month/Year) 12 / 90

Amended Report [ ]

Table with columns: Well Name, API Number, Entity, Location, Producing Zone, Days Oper, Production Volume (Oil, Gas, Water). Includes handwritten notes like 'Need successor to unit oper. (TXO - to Marathon)'.

Comments (attach separate sheet if necessary)

I have reviewed this report and certify the information to be accurate and complete. Date

Authorized signature Telephone

Routing:

1- LCR	<i>h</i>
2- DTS	<i>CS</i>
3- VLC	<i>h</i>
4- RJF	<i>h</i>
5- RWM	<i>h</i>
6- LCR	<i>h</i>

Attach all documentation received by the division regarding this change.  
 Initial each listed item when completed. Write N/A if item is not applicable.

- Change of Operator (well sold)       Designation of Agent  
 Designation of Operator       Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 1-1-91 )

TO (new operator) <u>MARATHON OIL COMPANY</u>	FROM (former operator) <u>TXO PRODUCTION CORP.</u>
(address) <u>P. O. BOX 2690</u>	(address) <u>P. O. BOX 2690</u>
<u>CODY, WY 82414</u>	<u>CODY, WY 82414</u>
phone <u>(307) 587-4961</u>	phone <u>(307) 587-4961</u>
account no. <u>N 3490</u>	account no. <u>N1580</u>

Well(s) (attach additional page if needed):      **\*\*\*MERGER\*\*\***

Name: <u>**SEE ATTACHED**</u>	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____

**OPERATOR CHANGE DOCUMENTATION**

- N/A 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(see documentation)*
- See 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec. 1-24-91)*
- N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no)      If yes, show company file number:     .
- See 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- See 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(2-26-91)*
- See 6. Cardex file has been updated for each well listed above.
- See 7. Well file labels have been updated for each well listed above.
- See 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission.
- See 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no (If entity assignments were changed, attach copies of Form 5, Entity Action Form).
- 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only)

- 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond. *(Federal & State wells only)*
- 2. A copy of this form has been placed in the new and former operators' bond files. *(upon completion of routing)*
- 3. The former operator has requested a release of liability from their bond (yes/no) yes. Today's date February 27, 1991. If yes, division response was made by letter dated March 1, 1991.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- 1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated \_\_\_\_\_ 19\_\_\_\_, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
- 2. Copies of documents have been sent to State Lands for changes involving State leases. *Sent 3-5-91*

DECLARATION

1. All attachments to this form have been microfilmed. Date: March 11 1991. *RWM*

DECLARATION

- 1. Copies of all attachments to this form have been filed in each well file.
- 2. The original of this form and the original attachments have been filed in the Operator Change file.

REMARKS

910204 Btm/maab ~~No doc. as of yet.~~ (In the process of changing) will call when approved.  
 Btm/S.Y. Book Cliffs Unit, Oil Springs Unit, Marble Mansion Unit (Not approved as of yet)

910204 st. Lands - No documentation as of yet. (Copy hand delivered 2-8-91) for

910222 Btm/S.Y. - Approved 2-20-91 - OK for DDBM to recognize eff. date 1-1-91. (T. Thompson)

910226 st. Lands - Needs additional info. "will take 2-3 weeks". (Proceed with change per DTS)

DOGMA - FYI - From Connie Larson - TAX Commission

Tax Compliance Division



Findlay, Ohio 45840  
Telephone 419/422-2121

January 23, 1991

N1580

TO WHOM IT MAY CONCERN:

Effective immediately after the close of business on December 31, 1990, TXO Production Corporation, taxpayer I.D. 75-1710388, a Delaware Corporation, was merged into Marathon Oil Company, taxpayer I.D. 25-1410539.

Following the merger, all business activity previously conducted by TXO Production Corporation will be conducted by and under the name of Marathon Oil Company.

Marathon Oil Company  
Tax Organization

GRL:pah  
GRL100T

FEB 14 1991  
REC'D USIC P.B.

Send a copy to Room 2-219

Copy sent to Master  
File Mail

RECEIVED  
JAN 24 1991



**Marathon  
Oil Company**

P.O. Box 2690  
Cody, Wyoming 82414  
Telephone 307/587-4961

DIVISION OF  
OIL, GAS & MINING

*28  
1-3  
Muy DRN  
- C R Furth*

January 22, 1991

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

UTAH DIVISION OF OIL, GAS & MINING  
3 Triad Center, Ste. 350  
Salt Lake City, UT 84180-1203  
Attention: State Director

Re: The Merger of TXO Production Corp. into  
Marathon Oil Company

Gentlemen:

As Marathon Oil Company advised in its October 8, 1990 letter, TXO Production Corp., a Delaware corporation ("TXO") was being merged into Marathon Oil Company, an Ohio corporation ("Marathon"), on or before January 1, 1991. As stated in the October letter, before this merger, both TXO and Marathon were subsidiaries of USX Corporation.

Effective January 1, 1991, TXO was merged into Marathon, with Marathon becoming the surviving corporation, as evidenced by the enclosed Certificate of Merger signed by the Secretary of State for the State of Ohio. Due to this statutory merger, by operation of law, Marathon, as the surviving entity, has succeeded to all of the assets, property, rights, privileges, power and authority, and has assumed all obligations and liabilities of TXO which existed on the date of the merger.

Marathon requests that your records and filings be changed to reflect this merger, including making any appropriate change in your operator or ownership records. For the purposes of any change, mailing or notification, please substitute the following address and phone number for TXO:

Marathon Oil Company  
Attention: Mr. R. P. Meabon  
1501 Stampede Avenue  
P. O. Box 2690  
Cody, WY 82414  
(307) 587-4961

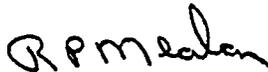
Utah Division of Oil, Gas & Mining  
January 22, 1991  
Page 2

Any bond in the name of TXO should be cancelled and all wells and properties shown on the attached Exhibit "A" should be placed on Marathon's statewide bond for the state of Utah.

Marathon respectfully requests that you acknowledge your receipt of this letter by signing the enclosed duplicate original of this letter in the space provided below, and returning it to me in the self-addressed, stamped envelope provided. Also, please provide Marathon with confirmation of the bond cancellations in accordance with the substitution requested above.

Marathon appreciates your patience and cooperation in this matter, and if Marathon can be of any further assistance, please feel free to contact this office.

Sincerely,



R. P. Meabon  
Regulatory Coordinator  
Rocky Mountain Region  
Extension 3003

RPM:mh

Attachments

RECEIVED AND ACCEPTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_,  
1991, BY:

\_\_\_\_\_  
[Governmental Agency or Department]

By \_\_\_\_\_  
Name \_\_\_\_\_  
Its \_\_\_\_\_  
Title

UNITED STATES OF AMERICA,  
STATE OF OHIO,  
OFFICE OF THE SECRETARY OF STATE. }

I, Sherrod Brown

do hereby certify that I am the duly elected, qualified and present acting Secretary of State for the State of Ohio, and as such have custody of the records of Ohio and Foreign corporations; that said records show an AGREEMENT OF MERGER of MARATHON PETROLEUM COMPANY, an Ohio corporation, Charter No. 7265, having its principal location in Findlay, County of Hancock, and incorporated on August 1, 1887, and TXO PRODUCTION CORP., a Delaware corporation, having qualified to do business within the State of Ohio on November 2, 1983, under License No. 623328, into MARATHON OIL COMPANY, an Ohio corporation, Charter No. 584981, the survivor of said Merger, filed in this office on December 24, 1990, recorded in the Records of Incorporation. Said surviving corporation, MARATHON OIL COMPANY, an Ohio corporation, Charter No. 584981, having its principal location in Findlay, County of Hancock, was incorporated on November 18, 1981 and is currently in GOOD STANDING upon the records of this office.

WITNESS my hand and official seal at

Columbus, Ohio, this

28th day of December, A.D. 1990



Sherrod Brown  
Secretary of State



Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

Routing:	
1-LEC	7-LEC
2-DTS/TS	
3-VLC	
4-RJF	
5-RWM	
6-ADA	

Attach all documentation received by the division regarding this change.  
 Initial each listed item when completed. Write N/A if item is not applicable.

- Change of Operator (well sold)                       Designation of Agent  
 Designation of Operator                               Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 2-22-93)

TO (new operator)	<u>LONE MTN PRODUCTION CO</u>	FROM (former operator)	<u>MARATHON OIL COMPANY</u>
(address)	<u>PO BOX 3394</u>	(address)	<u>PO BOX 2690</u>
	<u>BILLINGS MT 59103-3394</u>		<u>CODY WY 82414</u>
	<u>phone (406) 245-5077</u>		<u>phone (307) 587-4961</u>
	<u>account no. N 7210</u>		<u>account no. N 3490</u>

Well(s) (attach additional page if needed):

Name: <b>**SEE ATTACHED**</b>	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec. _____	Twp. _____	Rng. _____	Lease Type: _____

**OPERATOR CHANGE DOCUMENTATION**

- Sec 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Rec'd 2-25-93)*
- Sec 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec'd 2-25-93)*
- N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) \_\_\_\_\_ If yes, show company file number: \_\_\_\_\_.
- Sec 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- Sec 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(3-16-93)*
- Sec 6. Cardex file has been updated for each well listed above. *(3-16-93)*
- Sec 7. Well file labels have been updated for each well listed above. *(3-16-93)*
- Sec 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(3-16-93)*
- Sec 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- lee 1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) \_\_\_\_\_ (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
- sla 2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only)

- sla 1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
- sla 2. A copy of this form has been placed in the new and former operators' bond files.
- lee 3. The former operator has requested a release of liability from their bond (yes/no) \_\_\_\_\_. Today's date \_\_\_\_\_ 19\_\_\_\_. If yes, division response was made by letter dated \_\_\_\_\_ 19\_\_\_\_.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

- sla 1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated \_\_\_\_\_ 19\_\_\_\_, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.

DTs 2. Copies of documents have been sent to State Lands for changes involving State leases.  
3/17/93 to Ed Berger

MICROFILMING

- sla 1. All attachments to this form have been microfilmed. Date: March 25 1993.

FILED

- lee 1. Copies of all attachments to this form have been filed in each well file.
- lee 2. The original of this form and the original attachments have been filed in the Operator Change file.

REMARKS

930316 Bdm/Moab Approved 3-10-93 eff. 2-22-93.  
 (Other wells will be handled on a separate change - partial change only!)  
 St. Lease wells also being chg'd at this time.

LONE MOUNTAIN PRODUCTION COMPANY

P.O. BOX 3394  
408 PETROLEUM BUILDING  
BILLINGS, MONTANA 59103-3394  
(406) 245-5077  
FAX 248-6321

February 22, 1993

State of Utah  
Dept. of Natural Resources  
Division of Oil, Gas, & Mining  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180

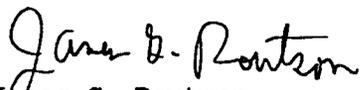
Re: Change of Operator  
Sundry Notices  
Grand and Uintah Counties, Utah

Gentlemen:

Enclosed in triplicate are Sundry Notices for 53 wells located on Federal lands in Utah for which Lone Mountain Production Company is assuming operations effective February 22, 1993. Two separate lists of the wells and lease numbers, by sorted by BLM district, are attached. The wells were all previously operated by Marathon Oil Company. If any further information is needed please advise either me or Joe Dyk in our Grand Junction office.

Very truly yours,

Lone Mountain Production Company

  
James G. Routson  
President

Enclosures

xc: Joe Dyk  
Marathon

RECEIVED

FEB 25 1993

DIVISION OF  
OIL GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.  
**U-05015-A**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.  
**BMG Fed. No. 3**

9. API Well No.  
**43-019-31114**

10. Field and Pool, or Exploratory Area  
**San Arroyo**

11. County or Parish, State  
**Grand County, Utah**

**SUBMIT IN TRIPLICATE**

1. Type of Well  
 Oil Well     Gas Well     Other

2. Name of Operator  
**Lone Mountain Production Company**

3. Address and Telephone No.  
**P.O. Box 3394, Billings, MT 59103**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**620' FSL, 670' FWL, Sec. 8-T16S-R26E OIL GAS & MINING (SW $\frac{1}{4}$  SW $\frac{1}{4}$ )**

**RECEIVED**

**FEB 25 1993**

**DIVISION OF**

**OIL GAS & MINING**

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Change of Operator</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Lone Mountain Production Company has assumed operations of the above referenced well effective February 22, 1993. The former operator was Marathon Oil Company.

Bond Coverage is provided by Lone Mountain's Statewide Oil & Gas BLM Bond No. UT0719.

Field Operations will be handled by our Grand Junction office.

14. I hereby certify that the foregoing is true and correct

Signed *Jon A. Pantan* Title Petroleum Engineer Date Feb. 22, 1993

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any:

Title 18 U.S.C. Section 1001. makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

<p><b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)</p>		<p>3. LEASE DESIGNATION &amp; SERIAL NO. See Below</p>
<p>1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/></p>		<p>6. IF INDIAN ALLOTTEE OIL TRIBE NAME</p>
<p>2. NAME OF OPERATOR Marathon Oil Company</p>		<p>7. UNIT AGREEMENT NAME</p>
<p>3. ADDRESS OF OPERATOR P.O. Box 2690, Cody, Wyoming 82414</p>		<p>8. FARM OR LEASE NAME See Below</p>
<p>4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface At proposed prod. zone See Below</p>		<p>9. WELL NO. See Below</p>
<p>14. API NO. See Below</p>		<p>10. FIELD AND POOL, OR WILDCAT - See Below</p>
<p>15. ELEVATIONS (Show whether DF, RT, GR, etc.)</p>		<p>11. SEC., T., R., M. OR BLK. AND SURVEY OR AREA See Below</p>
<p>12. COUNTY Grand and Uintah</p>		<p>13. STATE Utah</p>

**RECEIVED**

FEB 25 1993

DIVISION OF OIL GAS & MINING

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) _____	(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)
(Other) _____			
APPROX. DATE WORK WILL START _____		DATE OF COMPLETION _____	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

\* Must be accompanied by a cement verification report.

On 2/22/93 with an effective date of October 1, 1992, Marathon Oil Company sold all of its rights, title and interests shown on Exhibit 'A' and 'B' to:

Lone Mountain Production Company  
P.O. Box 3394, 408 Production Building  
Billings, Montana 59103-3394

By copy of this sundry notice to Lone Mountain Production Company, Marathon is advising that Lone Mountain Production Company is responsible for operating these leases and wells within the federal and state rules and regulations.

Utah O&G--cc: WRF,RDS,CLB,RPM,KJI,TITLE AND CONTR(HOU),ACCTG.,CFR,LONE MTN. PROD.

18. I hereby certify that the foregoing is true and correct

SIGNED R.P. Meabon TITLE Regulatory Coordinator DATE 2/23/93

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_

List of Properties sold by Marathon Oil Company to Lone Mountain Production Company, P.O. Box 3394, 408 Petroleum Building, Billings, Montana 59103-3394

WELL	LOCATION	LEASE	API #
<b>North Horse Point Field</b>			
Little Berry State #1	SW/4 SW/4, Sec. 2-16S-23E	ML-21061	043-019-31075
<b>BAR X West Field</b>			
Hancock Federal #2	NW/4 SW/4, Sec. 5-17S-25E	U-38720	043-019-30833
<b>Bryson Canyon Field</b>			
Hougen Federal A#1- St #1	SW/4 SW/4 Sec. 14-17S-24E	U-42480	043-019-30799
TXO Pogo USA #19-9	NE/4 SE/4, Sec. 15-17S-24E	U-49535	043-019-30779
<b>East Canyon Field</b>			
Callister Federal #1	NW/4 SE/4 Sec. 24-16S-24E	U-38363	043-019-30857
Ptasynski Federal #1	NE/4 NW/4 Sec. 15-17S-23E	U-24603-A	043-019-30780
<b>Horseshoe Bend Field</b>			
Bridle Federal #1	SW/4 SW/4 Sec. 34-6S-22E	U-47866	043-047-31533
Bridle Federal #2	NE/4 SE/4 Sec. 34-6S-22E	U-47866	043-047-31655
Bridle Federal #3	SE/4 NE/4 Sec. 34-6S-22E	U-47866	043-047-31678
Bridle Federal #4	SE/4 NE/4 Sec. 34-6S-22E	U-47866	043-047-31866
Croquet Federal #1	SE/4 NE/4 Sec. 35-6S-21E	U-53862	043-047-31440
Croquet Federal #2	NE/4 SE/4 Sec. 35-6S-21E	U-53862	043-047-31672
Croquet Federal #3	NE/4 NW/4 Sec. 35-6S-21E	U-53862	043-047-31867
Football Fed #29-4	SE/4 SW/4 Sec. 29-6S-21E	U-46699	043-047-31883
Shuffleboard Fed #1	NE/4 NE/4 Sec. 27-6S-21E	U-31255	043-047-31668
Stirrup Fed. #28-1	NW/4 SW/4 Sec. 28-6S-21E	U-34711	043-047-31571
Stirrup Fed. #29-2	NW/4 SE/4 Sec. 29-6S-21E	U-46699	043-047-31508
Stirrup Fed. #29-3	SE/4 SE/4 Sec. 29-6S-21E	U-46699	043-047-31634
Stirrup State #32-1	NW/4 NE/4 Sec. 32-6S-21E	ML-22036	043-047-31557
Stirrup State #32-2	SE/4 NE/4 Sec. 32-6S-21E	ML-22036	043-047-31626
Stirrup State #32-4	NW/4 NE/4 Sec. 32-6S-21E	ML-22036	043-047-31648
<b>Rockhouse Field</b>			
Cracker Fed. #1	SE/4 NE/4 Sec. 8-11S-23E	U-54197	043-047-31532
Cracker Fed. #2	SE/4 SE/4 Sec. 8-11S-23E	U-54197	043-047-31690
Cracker Fed. #3	SW/4 SE/4 Sec. 5-11S-23E	U-54193	043-047-31689
Cracker Fed. #4	SE/4 NE/4 Sec. 7-11S-23E	U-54196	043-047-31748
Marble Mansion #1	SE/4 SE/4 Sec. 18-11S-23E	U-54201	043-047-31865
Wells Fed. A #1	SW/4 SE/4 Sec. 12-11S-23E	U-54198	043-047-31603

### San Arroyo Field

Arco Fed. B #1	SE/4 SE/4 Sec. 6-16S-25E	U-9831	043-019-30552
Arco Fed. C #1	NW/4 NW/4 Sec. 35-16S-25E	U-06188-B	043-019-30572
Arco Fed. D #1	NE/4 SE/4 Sec. 34-16S-25E	U-29645	043-019-30578
Arco Fed. H #1	NW/4 SW/4 Sec. 12-16S-25E	U-0126528	043-019-31002
Bennion Fed. #1	NE/4 NW/4 Sec. 30-16S-25E	U-24632	043-019-30893
BMG Fed. #1	NE/4 NW/4 Sec. 8-16S-26E	U-05015	043-019-31017
BMG Fed. #2	SW/4 SW/4 Sec. 8-16S-26E	U-05015	043-019-31108
BMG Fed. #3	SW/4 SW/4 Sec. 8-16S-26E	U-05015-A	043-019-31114
BMG Fed. #4	NW/4 NW/4 Sec. 17-16S-26E	U-05015-A	043-019-31130
BMG Fed. #5	NW/4 SW/4 Sec. 8-16S-26E	U-05015-A	043-019-31131
BMG Fed. #7	NW/4 SE/4 Sec. 17-16S-26E	U-05015-A	043-019-31183
Bookcliffs #1	SE/4 SE/4 Sec. 32-18S-22E	U-036905	043-019-15410
Bookcliffs #3	SW/4 NE/4 Sec. 33-18S-22E	U-036905	043-019-15411
Credo Fed. #1	NE/4 SE/4 Sec. 5-16S-26E	U-24638	043-019-30797
Credo Fed. A #1	SE/4 NW/4 Sec. 5-16S-26E	U-24638	043-019-30798
Grynberg Fed. #1	NE/4 SW/4 Sec. 28-16S-25E	U-13653	043-019-30657
Harvey Fed. #1-X	SW/4 SE/4 Sec. 5-16S-25E	U-10427	043-019-30574
Lauck Fed. A #1	SE/4 SE/4 Sec. 29-16S-25E	U-34033	043-019-30990
Lauck Fed. #2	NW/4 SW/4 Sec. 29-16S-25E	U-34033	043-019-31109
Moxa Fed. #1	SW/4 SW/4 Sec. 9-16S-26E	U-24638	043-019-30698
Moxa Fed. A #1	NE/4 SE/4 Sec. 4-16S-26E	U-24638	043-019-30792
Nicor Fed. #1	NW/4 NE/4 Sec. 28-16S-25E	U-31807	043-019-30656
Nicor Fed. #2	NW/4 NE/4 Sec. 33-16S-25E	U-13653	043-019-31020
Texas Pac St #1	NW/4 SE/4 Sec. 36-16S-25E	ML-4468-A	043-019-30634
Texas Pac St #2	SW/4 SW/4 Sec. 36-16S-25E	ML-4468-A	043-019-30670
Valentine Fed. #1	SE/4 SW/4 Sec. 35-16S-25E	U-38276	043-019-30639
Valentine Fed. #2	SE/4 NW/4 Sec. 34-16S-25E	U-38276	043-019-30640
Valentine Fed. #3	SE/4 SW/4 Sec. 35-16S-25E	U-38276	043-019-31009
Wall Fed. #1	NE/4 SW/4 Sec. 30-16S-25E	U-24632	043-019-30838

### Oil Springs Field

Oil Springs #5	NE/4 SW/4 Sec. 5-12S-24E	U-08424-A	043-047-15930
Oil Springs #7	SE/4 SW/4 Sec. 4-12S-24E	U-08424-A	043-047-31248
Oil Springs #10	NE/4 NE/4 Sec. 5-12S-24E	U-08424-A	043-047-31656

### Evacuation Creek Field

Evacuation Creek State A #1	NE/4 NE/4 Sec. 2-12S-25E	ML-28043	043-047-31674
Evacuation Cr. #23-2-1	NE/4 SW/4 Sec. 2-12S-25E	ML-28043	043-047-15675
Evacuation Creek State #1	SE/4 SW/4 Sec. 36-11S-25E	ML-39868	043-047-31307

# UTAH FEDERAL WELLS

## MOAB BLM DISTRICT

<u>WELL</u>	<u>LEASE NO.</u>	<u>LOCATION</u>
Bookcliffs Unit No. 1	U-036905	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 32-T18S-R22E
Bookcliffs Unit No. 3	U-036905	Sw $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 33-T18S-R22E
Hancock Fed. No. 2	U-38720	NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 5-T17S-R25E
Hougen Fed. No. A-1	U-42480	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 14-T17S-R24E
TXO-POGO-USA No. 15-9	U-49535	NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 15-T17S-R24E
Callister Fed. No. 1	U-38363	NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 24-T16S-R24E
Ptasynski Fed. No. 1	U-24603-A	NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 15-T17S-R23E
Arco Fed. B No. 1	U-9831	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 6-T16S-R25E
Arco Fed. C No. 1	U-06188-B	NW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 35-T16S-R25E
Arco Fed. D No. 1	U-29645	NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 34-T16S-R25E
Arco Fed. H No. 1	U-0126528	NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 12-T16S-R25E
Grynberg Fed. No. 1	U-13653	NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 28-T16S-R25E
Lauck Fed. A No. 1	U-34033	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 29-T16S-R25E
Lauck Fed. No. 2	U-34033	NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 29-T16S-R25E
Nicor Fed. No. 1	U-31807	NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 28-T16S-R25E
Nicor Fed. No. 2	U-13653	NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. <sup>29</sup> <del>33</del> -T16S-R25E
Valentine Fed. No. 1	U-38276	SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 35-T16S-R25E
Valentine Fed. No. 2	U-38276	SE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 34-T16S-R25E
Valentine Fed. No. 3	U-38276	SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 35-T16S-R25E
Wall Fed. No. 1	U-24632	NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 30-T16S-R25E
Bennion Fed. No. 1	U-24632	NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 30-T16S-R25E
Harvey Fed. No. 1-X	U-10427	Sw $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 5-T16S-R25E

UTAH FEDERAL WELLSMOAB BLM DISTRICT

<u>WELL</u>	<u>LEASE NO.</u>	<u>LOCATION</u>
BMG Fed. No. 1	U-05015	NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 8-T16S-R26E
BMG Fed. No. 2	U-05015	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 8-T16S-R26E
BMG Fed. No. 3	U-05015-A	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 18-T16S-R26E
BMG Fed. No. 4	U-05015-A	NW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 17-T16S-R26E
BMG Fed. No. 5	U-05015-A	NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 18-T16S-R26E
BMG Fed. No. 7	U-05015-A	NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 17-T16S-R26E
Credo Fed. No. 1	U-24638	NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 5-T16S-R26E
Credo Fed. A No. 1	U-24638	SE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 5-T16S-R26E
Moxa Fed. No. 1	U-24638	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 9-T16S-R26E
Moxa Fed. A No. 1	U-24638	NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 4-T16S-R26E

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FEB 25 1993

UTAH FEDERAL WELLS

VERNAL BLM DISTRICT

DIVISION OF  
OIL GAS & MINING

<u>WELL</u>	<u>LEASE NO.</u>	<u>LOCATION</u>
Shuffleboard Fed. No. 1	U-31255	NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 27-T6S-R21E
Stirrup Fed. No. 28-1	U-34711	NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 28-T6S-R21E
Stirrup Fed. No. 29-2	U-46699	NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 29-T6S-R21E
Stirrup Fed. No. 29-3	U-46699	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 29-T6S-R21E
Football Fed. No. 29-4	U-46699	SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 29-T6S-R21E
Croquet Fed. No. 1	U-53862	SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 35-T6S-R21E
Croquet Fed. No. 2	U-53862	NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 35-T6S-R21E
Croquet Fed. No. 3	U-53862	NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 35-T6S-R21E
Bridle Fed. No. 1	U-47866	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 34-T6S-R22E
Bridle Fed. No. 2	U-47866	NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 34-T6S-R22E
Bridle Fed. No. 3	U-47866	SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 34-T6S-R22E
Bridle Fed. No. 4	U-47866	SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 34-T6S-R22E
Cracker Fed. No. 1	U-54197	SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 8-T11S-R23E
Cracker Fed. No. 2	U-54197	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 8-T11S-R23E
Cracker Fed. No. 3	U-54193	SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 5-T11S-R23E
Cracker Fed. No. 4	U-54196	SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 7-T11S-R23E
Marble Mansion Unit #1	U-54201	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 18-T11S-R23E
Wells Fed. A No. 1	U-54198	SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 12-T11S-R23E
Oil Springs Unit #5	U-08424-A	NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 5-T12S-R24E
Oil Springs Unit #7	U-08424-A	SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 4-T12S-R24E
Oil Springs Unit #10	U-08424-A	NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 5-T12S-R24E

## UTAH STATE WELLS

<u>WELL</u>	<u>LEASE NO.</u>	<u>LOCATION</u>
Texas Pacific No. 1	ML-4468-A	NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 36-T16S-R25E Grand County
Texas Pacific No. 2	ML-4468-A	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 36-T16S-R25E Grand County
Little Berry No. 1	ML-21061	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 2-T16S-R23E Grand County
Evacuation Creek No. 1	ML-39868	SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 36-T11S-R25E Uintah County
Evacuation Creek A No. 1	ML-28043	NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 2-T12S-R25E Uintah County
Evacuation Creek 23-2-1	ML-28043	NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 2-T12S-R25E Uintah County
Stirrup No. 32-1	ML-22036	NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 32-T6S-R21E Uintah County
Stirrup No. 32-2	ML-22036	SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 32-T6S-R21E Uintah County
Stirrup No. 32-4	ML-22036	NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 32-T6S-R21E Uintah County

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. U-05015-A
2. Name of Operator Lone Mountain Production Company	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. P.O. Box 3394, Billings, MT 59103	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 620' FSL, 670' FWL, <b>Sec. 18-T16S-R26E'</b> (SW $\frac{1}{4}$ SW $\frac{1}{4}$ )	8. Well Name and No. BMG Fed. No. 3
	9. API Well No. <b>43-019-31114 #</b>
	10. Field and Pool, or Exploratory Area San Arroyo
	11. County or Parish, State Grand County, Utah

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Change of Operator</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Lone Mountain Production Company has assumed operations of the above referenced well effective February 22, 1993. The former operator was Marathon Oil Company.

Bond Coverage is provided by Lone Mountain's Statewide Oil & Gas BLM Bond No. UT0719.

Field Operations will be handled by our Grand Junction office.

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OIL GAS & MINING

14. I hereby certify that the foregoing is true and correct

Signed James R. Pantan Title Petroleum Engineer Date Feb. 22, 1993

(This space for Federal or State office use)  
/s/ Brent Northrup ACTING Assistant District Manager

Approved by \_\_\_\_\_ Title for Minerals Date \_\_\_\_\_

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*See Instruction on Reverse Side

Lone Mountain Production Company  
Well No. BMG Fed. 3  
SWSW Sec. 8, T. 16 S., R. 26 E.  
Grand County, Utah  
Lease U-05015A

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Lone Mountain Production Company is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT0719 (Principal - Lone Mountain Production Company) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

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